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PART II—Section 2

प्राधिकार से प्रकाशित

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इस भाग में भिन्न पृष्ठ संग्रहा की जाती हैं जिससे कि यह अन्य संकलनों को रूप दे देता जा सके।

Separate pairing is given to this Part in order that it may be filed as a separate compilation

LOK SABHA

The following Bill was introduced in Lok Sabha on the 3rd September, 1966:—

BILL No 68 of 1966

A Bill to provide for the reorganisation of the existing State of Punjab and for matters connected therewith.

BE it enacted by Parliament in the Seventeenth Year of the Republic of India as follows:—

PART I

PRELIMINARY

5 1. This Act may be called the Punjab Reorganisation Act, 1966. Short title

2. In this Act, unless the context otherwise requires,— Definition

(a) “Administrator” means the administrator of a Union territory appointed by the President under article 239 of the Constitution;

10 (b) “appointed day” means the 1st day of November, 1966;

(c) “article” means an article of the Constitution;

(d) "assembly constituency", "council constituency" and "parliamentary constituency" have the same meanings as in the Representation of the People Act, 1950;

43 of 1950.

(e) "Delimitation Commission" means the Delimitation Commission constituted under section 3 of the Delimitation Commission Act, 1962;

61 of 1962.

(f) "existing State of Punjab" means the State of Punjab as existing immediately before the appointed day;

(g) "law" includes any enactment, ordinance, regulation, bye-law, rule, scheme, notification or other instrument having, ¹⁰ immediately before the appointed day, the force of law in the whole or in any part of the existing State of Punjab;

(h) "notified order" means an order published in the Official Gazette;

(i) "population ratio", in relation to the States of Hariana ¹⁵ and Punjab and the Union, means the ratio of 37.38 to 54.84 to 7.78;

(j) "prescribed" means prescribed by rules made under this Act;

(k) "sitting member", in relation to either House of Parliament or of the Legislature of the existing State of Punjab, means a person who immediately before the appointed day is a member of that House;

(l) "State of Punjab" means the State with the same name, comprising the territories referred to in sub-section (1) of ²⁵ section 6;

(m) "successor State", in relation to the existing State of Punjab, means the State of Punjab or Hariana, and includes also the Union in relation to the Union territory of Chandigarh ³⁰ and the transferred territory;

(n) "transferred territory" means the territory which on the appointed day is transferred from the existing State of Punjab to the Union territory of Himachal Pradesh;

(o) "treasury" includes a sub-treasury; and

(p) any reference to a district, tahsil or other territorial ³⁵ division of the existing State of Punjab shall be construed as a reference to the area comprised within that territorial division on the 1st day of July, 1966.

PART II

REORGANISATION OF THE STATE OF PUNJAB

3. (1) On and from the appointed day, there shall be formed a new State to be known as the State of Haryana comprising the following territories of the existing State of Punjab, namely:—

(a) Hissar, Rohtak, Gurgaon, Karnal and Mahendragarh districts;

(b) Narwana and Jind tahsils of Sangrur district;

(c) Ambala, Jagadhri and Naraingarh tahsils of Ambala district;

(d) Pinjore kanungo circle of Kharar tahsil of Ambala district; and

(e) the territories in Manimajra kanungo circle of Kharar tahsil of Ambala district specified in the First Schedule,

and thereupon the said territories shall cease to form part of the existing State of Punjab.

(2) The territories referred to in clause (b) of sub-section (1) shall form a separate district known as the Jind district in the State of Haryana.

(3) The territories referred to in clauses (c), (d) and (e) of sub-section (1) shall form a separate district to be known as Ambala district in the State of Haryana and in that district,—

(i) the territories referred to in clauses (d) and (e) of sub-section (1) shall be included in, and form part of, the Naraingarh tahsil, and

(ii) the territories referred to in clause (e) of sub-section (1) shall be included in, and form part of, Pinjore kanungo circle in the Naraingarh tahsil.

4. On and from the appointed day, there shall be formed a new Union territory to be known as the Union territory of Chandigarh comprising such of the territories of Manimajra and Manauli Kanungo circles of Kharar tahsil of Ambala district in the existing State of Punjab as are specified in the Second Schedule and thereupon the territories so specified shall cease to form part of the existing State of Punjab.

5. (1) On and from the appointed day, there shall be added to the Union territory of Himachal Pradesh the territories in the existing State of Punjab comprised in—

(a) Simla, Kangra, Kulu and Lahaul and Spiti districts;

(b) **Nalagarh tahsil of Ambala district;**

(c) **Lohara, Amb and Una kanungo circles of Una tahsil of Hoshiarpur district;**

(d) **the territories in Santokhgarh kanungo circle of Una tahsil of Hoshiarpur district specified in Part I of the Third Schedule;** 5

(e) **the territories in Una tahsil of Hoshiarpur district specified in Part II of the Third Schedule; and**

(f) **the territories of Dhar Kalan kanungo circle of Pathankot tahsil of Gurdaspur district specified in Part III of the Third Schedule,** 10

and thereupon the said territories shall cease to form part of the existing State of Punjab.

(2) The territories referred to in clause (b) of sub-section (1) shall be included in, and form part of, Simla district. 15

(3) The territories referred to in clauses (c), (d) and (e) of sub-section (1) shall be included in, and form part of, Kangra district, and

(i) the territories referred to in clauses (c) and (d) shall form a separate tahsil known as Una tahsil in that district and 20 in that tahsil the territories referred to in clause (d) shall form a separate kanungo circle known as the Santokhgarh kanungo circle; and

(ii) the territories referred to in clause (e) shall form part of the Hamirpur tahsil in the said district. 25

(4) The territories referred to in clause (f) of sub-section (1) shall be included in, and form part of, the Bhattiyat tahsil of Chamba district in the Union territory of Himachal Pradesh and in that tahsil, the villages Dalhousie and Balun shall be included in, and form part of, Banikhet kanungo circle and the village Bakloh shall 30 form part of Chowari kanungo circle.

6. (1) On and from the appointed day, the State of Punjab shall comprise the territories of the existing State of Punjab other than those specified in sub-section (1) of section 3, section 4 and sub-section (1) of section 5. 35

(2) The territories which immediately before the appointed day were part of Ambala district in the existing State of Punjab but are not transferred by virtue of sections 3, 4 and 5, shall, together with the territories which immediately before that day were part of the Una tahsil of Hoshiarpur district in the existing State of Punjab but 40

are not transferred by virtue of section 5, form a separate district known as the Rupar district in the State of Punjab and in that district—

5 (i) the territories which immediately before the appointed day were part of Manimajra kanungo circle of Kharar tahsil of Ambala district but are not transferred by virtue of sections 3 and 4, shall form in that tahsil a separate kanungo circle called the Mullanpur kanungo circle;

10 (ii) the territories which immediately before the appointed day were part of Una tahsil of Hoshiarpur district but are not transferred by virtue of section 5, shall form a separate tahsil known as Nangal tahsil, and in that tahsil, the territories which immediately before the appointed day were part of Santokhgarh kanungo circle of Una tahsil of Hoshiarpur district but are not transferred by virtue of section 5, shall be included in, and 15 form part of Nurpur Bedi kanungo circle.

7. On and from the appointed day, in the First Schedule to the Constitution,—

(a) under the heading "I. THE STATES",—

20 (i) in the paragraph relating to the territories of the State of Punjab, the following shall be added at the end, namely:—

25 "and the territories specified in sub-section (1) of section 3, section 4 and sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966;

(ii) after entry 16, the following entry shall be inserted, namely:—

30 "17. Haryana: territories specified in sub-section (1) of section 3 of the Punjab Reorganisation Act, 1966.";

(b) under the heading "II. THE UNION TERRITORIES",—

35 (i) in the paragraph relating to the extent of the Union territory of Himachal Pradesh, the following shall be added at the end, namely:—

"and the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966";

(ii) after entry 9, the following entry shall be inserted namely:—

40 "10. Chandigarh . . . The territories specified in section 4 of the Punjab Reorganisation Act, 1966".

Amend-
ment of
the First
Schedule
to the
Constitu-
tion.

Saving
powers
of
Govern-
ment.

8. Nothing in the foregoing provisions of this Part shall be deemed to affect the power of the Government of Punjab or Haryana or the Administrator of the Union territory of Himachal Pradesh to alter, after the appointed day, the name, area or boundaries of any district or other territorial division in the State or Union territory,⁵ as the case may be.

PART III

REPRESENTATION IN THE LEGISLATURES

The Council of States

Amend-
ment of
Fourth
Schedule
to the
Constitu-
tion.

9. On and from the appointed day, in the Fourth Schedule to the Constitution, in the Table,—

(a) entries 5 to 21 shall be re-numbered as entries 6 to 22 respectively;

(b) after entry 4, the following entry shall be inserted, namely:—

15

“5. Haryana . . . 5”;

(c) in entry 12 as so re-numbered, for the figures “11”, the figure “7” shall be substituted;

(d) in entry 19 as so re-numbered, for the figure “2”; the figure “3” shall be substituted; and

20

(e) for the figures “226”, the figures “228” shall be substituted.

Allocat-
tion of
sitting
members.

10. (1) On and from the appointed day, the eleven sitting members of the Council of States representing the existing State of Punjab shall be deemed to have been elected to fill the seats allotted²⁵ to the States of Haryana and Punjab and the Union territory of Himachal Pradesh, as specified in the Fourth Schedule.

(2) The term of office of such sitting members shall remain unaltered.

30

Filling
up of
vacancies.

11. (1) As soon as may be after the appointed day, bye-elections shall be held to fill the vacancies existing on the appointed day in the seats allotted to the States of Haryana and Punjab.

(2) The term of office of the member so elected from the State of Haryana shall expire on the 2nd day of April, 1972, and that of the member so elected from the State of Punjab shall expire on the 2nd day of April, 1968.

35

The House of the People

12. Nothing in Part II shall be deemed to affect the constitution or duration of the existing House of the People or the extent of the constituency of any sitting member of that House.

Provision
as to
existing
House.

5

The Legislative Assemblies

13. (1) The number of seats as on the appointed day in the Legislative Assemblies of the States of Haryana and Punjab and the Union territory of Himachal Pradesh shall be sixty-two, eighty-seven and fifty-six respectively.

Provi-
sions as
to Legis-
lative
Assem-
blies.

10 10. (2) In the Second Schedule to the Representation of the People Act, 1950—

(a) after entry 4, the following entry shall be inserted, namely:—

“4A. Haryana . . . 62”;

15 (b) in entry 11, for the figures “154”, the figures “87” shall be substituted; and

(c) in entry 16, for the figures “40”, the figures “54” shall be substituted.

14. On and from the appointed day, Part B of Schedule XI to the Delimitation of Parliamentary and Assembly Constituencies Order, 1961, and the Schedule to the Delimitation of Territorial Council Constituencies (Himachal Pradesh) Order, 1962, shall stand amended as directed in the Fifth Schedule to this Act.

Amend-
ment of
Delimita-
tion
Orders.

15. (1) Every sitting member of the Legislative Assembly of Punjab elected to fill a seat in that Assembly from a constituency which on the appointed day by virtue of the provisions of section 14 stands allotted, with or without alteration of boundaries, to the State of Haryana or to the Union territory of Himachal Pradesh, shall, on and from that day, cease to be a member of the Legislative Assembly of Punjab and shall be deemed to have been elected to fill a seat in the Legislative Assembly of Haryana or in the Legislative Assembly of Himachal Pradesh, as the case may be, from that constituency as so allotted.

(2) All other sitting members of the Legislative Assembly of Punjab shall continue to be members of the Legislative Assembly of that State and any such sitting member representing a constituency the extent, or the name and extent, of which are altered by virtue of the provisions of section 14 shall be deemed to have been elected to the Legislative Assembly of Punjab by that constituency as so altered.

(3) Notwithstanding anything contained in any other law for the time being in force, the Legislative Assemblies of Haryana, Punjab and Himachal Pradesh shall be deemed to be duly constituted on the appointed day.

Transitional provisions with respect to certain members of the Legislative Assembly of Haryana.

Duration of Legislative Assemblies.

Speakers and Deputy Speakers.

Rules of procedure.

16. The eight persons specified in Part A of the Seventh Schedule 5 who are members of the Legislative Council chosen by the Local Authorities', Graduates' and Teachers' constituencies of the existing State of Punjab shall, on and from the appointed day, become members of the Legislative Assembly of the State of Haryana as if they were members chosen by direct election to that Assembly from the 10 territorial constituencies within that State.

17. (1) The period of five years referred to in clause (1) of article 172 shall, in the case of the Legislative Assembly of Haryana, be deemed to have commenced on the date on which it actually commenced in the case of the Legislative Assembly of Punjab. 15

(2) The changes in the composition of the Legislative Assemblies of Punjab and Himachal Pradesh shall not affect the duration of either of those Assemblies.

18. (1) The person who immediately before the appointed day is the Speaker of the Legislative Assembly of Punjab shall continue 20 to be the Speaker of that Assembly on and from that day.

(2) As soon as may be after the appointed day, the Legislative Assembly of Haryana shall choose a member of that Assembly to be Speaker of that Assembly.

(3) The person who immediately before the appointed day is the 25 Deputy Speaker of the Legislative Assembly of Punjab shall be the Deputy Speaker of the Legislative Assembly of Haryana.

(4) As soon as may be after the appointed day, the Legislative Assembly of Punjab shall choose a member of that Assembly to be Deputy Speaker of that Assembly. 30

19. The rules of procedure and conduct of business of the Legislative Assembly of Punjab as in force immediately before the appointed day shall, until rules are made under clause (1) of article 208, be the rules of procedure and conduct of business of the Legislative Assembly of Haryana, subject to such modifications and adaptations as may be made therein by the Speaker thereof. 35

43 of 1950.

The Legislative Council

20. On and from the appointed day, there shall be forty seats in the Legislative Council of Punjab, and in the Third Schedule to the Representation of the People Act, 1950, for the existing entry 7, the following entry shall be substituted, namely:—

“7. Punjab . . 40 14 3 3 14 6”.

Legisla-
tive
Council
of
Punjab.

21. On and from the appointed day, the Delimitation of Council Constituencies (Punjab) Order, 1951, shall stand amended as directed in the Sixth Schedule.

10 22. (1) On the appointed day, the sitting members of the Legislative Council of Punjab specified in the Seventh Schedule shall cease to be members of that Council.

Council
consti-
tuencies.

(2) On and from the appointed day, all sitting members of the Legislative Council of Punjab, other than those referred to in sub-section (1), shall continue to be members of that Council.

Provi-
sion as
to certain
sitting
members.

(3) Any of the sitting members continuing as aforesaid, representing a council constituency the extent of which is altered by virtue of the provisions of section 21 shall be deemed to have been elected to the Legislative Council of Punjab by that constituency as so altered.

20 (4) Every sitting member of the said Council representing immediately before the appointed day any of the council constituencies specified in column (1) of the Table below shall be deemed to have been elected to the said Council by the council constituency specified against that constituency in column (2) of the said Table:—

25

TABLE

(1)	(2)
Punjab West Central Graduates.	Punjab Central Graduates.
Punjab East Central Graduates.	Punjab South Graduates.
30 Punjab West Central Teachers	Punjab Central Teachers.
Punjab East Central Teachers	Punjab South Teachers.
Patiala Local Authorities	Patiala-cum-Rupar Local Authorities.

(5) The term of office of the members referred to in sub-section 35 (2) shall remain unaltered.

(6) As soon as may be after the appointed day, elections shall be held to fill the vacancies existing on the appointed day in the seats allotted to the several council constituencies by the Delimitation of Council Constituencies (Punjab) Order, 1951, as amended by this Act and to fill the vacancy existing on that day in the seats to be filled by persons elected by the members of the Legislative Assembly. 5

(7) The term of office of the three members so elected from Ferozepur Local Authorities' constituency, Jullundur Local Authorities' constituency and Ludhiana Local Authorities' constituency and of the member so elected by the members of the Legislative Assembly 10 shall expire on the 26th day of April, 1968, and the term of office of the member so elected from Patiala-cum-Rupar Local Authorities' constituency shall expire on the 26th day of April, 1972.

(8) The person who immediately before the appointed day is the Chairman of the Legislative Council of Punjab shall continue to be 15 the Chairman of that Council on and from that day.

(9) As soon as may be after the appointed day, the Legislative Council of Punjab shall choose one of its members to be the Deputy Chairman thereof.

Delimitation of constituencies

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Allocation of seats in the House of the People.

23. In the House of the People to be constituted after the commencement of this Act, there shall be allotted,—

(a) **nine seats to the State of Haryana of which two seats shall be reserved for the Scheduled Castes;**

(b) **thirteen seats to the State of Punjab of which three seats shall be reserved for the Scheduled Castes;** 25

(c) **six seats to the Union territory of Himachal Pradesh of which one seat shall be reserved for the Scheduled Castes; and**

(d) **one seat to the Union territory of Chandigarh which shall form one parliamentary constituency.** 30

Allocation of seats in the Legislative Assembly.

24. (1) The total number of seats in the Legislative Assembly of Haryana to be constituted at any time after the appointed day, to be filled by persons chosen by direct election from territorial constituencies, shall be eighty-one of which fifteen seats shall be reserved for the Scheduled Castes.

(2) **The total number of seats in the Legislative Assembly of Punjab to be constituted at any time after the appointed day, to be** 35

filled by persons chosen by direct election from territorial constituencies, shall be one hundred and four of which twenty-three seats shall be reserved for the Scheduled Castes.

(3) The total number of seats in the Legislative Assembly of 5 Himachal Pradesh to be constituted at any time after the appointed day, to be filled by persons chosen by direct election from territorial constituencies, shall be fifty-four of which twelve seats shall be reserved for the Scheduled Castes and two seats shall be reserved for the Scheduled Tribes.

10 25. (1) The Delimitation Commission shall, in the manner herein provided, distribute the seats in the House of the People allotted to Haryana, Punjab and Himachal Pradesh under section 23 and the 15 seats assigned to the Legislative Assembly of each of them under section 24 to single-member territorial constituencies and delimit them on the basis of the latest census figures, having regard to the provisions of the Constitution and to the following provisions, namely:—

20 (a) all constituencies shall, as far as practicable be geographically compact areas, and in delimiting them regard shall be had to physical features, existing boundaries of administrative units, facilities of communication and public convenience;

(b) every assembly constituency shall be so delimited as to fall wholly within one parliamentary constituency;

25 (c) constituencies in which seats are reserved for the Scheduled Castes shall be distributed in different parts of the State or Union territory, as the case may be, and located, as far as practicable, in those areas where the proportion of their population to the total population is comparatively large; and

30 (d) constituencies in which seats are reserved for the Scheduled Tribes shall, as far as practicable, be located in areas where the proportion of their population to the total population is the largest.

35 (2) For the purpose of assisting it in the performance of its functions under sub-section (1), the Delimitation Commission shall associate with itself in respect of each State and Union territory such six persons as the Central Government may by order specify, being persons who are members either of the House of the People or of the Legislative Assembly of Haryana, Punjab or Himachal Pradesh:

40 Provided that such persons shall be chosen, as far as practicable, from among those members who were associated before the commence-

Delimitation of constituencies.

ment of this Act with the Delimitation Commission in delimiting constituencies of Punjab or Himachal Pradesh:

Provided further that none of the associate members shall have a right to vote or to sign any decision of the Delimitation Commission.

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(3) The Delimitation Commission shall, by one or more orders, determine the delimitation of the parliamentary and assembly constituencies referred to in sub-section (1).

(4) The provisions of sections 7, 10 and 11 of the Delimitation Commission Act, 1962, shall apply in relation to the delimitation of ¹⁰ 61 of 1962. parliamentary and assembly constituencies under this Part as they apply in relation to the delimitation of parliamentary and assembly constituencies under the said Act.

(5) Upon publication in the Gazette of India of the order or orders of the Delimitation Commission made under sub-section (3), the ¹⁵ orders previously made by it delimiting the parliamentary and assembly constituencies of Punjab and Himachal Pradesh shall stand cancelled.

Amend-
ment of
article
371 of the
Constitu-
tion.

26. On and from the appointed day, in article 371 of the Constitution, in clause (1), the words "or Punjab" shall be omitted. ²⁰

Amend-
ment of
Schedule
Castes
Orders.

27. (1) On and from the appointed day, the Constitution (Scheduled Castes) Order, 1950, shall stand amended as directed in the Eighth Schedule.

(2) On and from the appointed day, the Constitution (Scheduled Castes) (Union Territories) Order, 1951, shall stand amended as ²⁵ directed in the Ninth Schedule.

Amend-
ment of
Scheduled
Tribes
Orders.

28. (1) On and from the appointed day, the Constitution (Scheduled Tribes) Order, 1950, shall stand amended as directed in the Tenth Schedule.

(2) On and from the appointed day, the Constitution (Scheduled ³⁰ Tribes) (Union Territories) Order, 1951, shall stand amended as directed in the Eleventh Schedule.

PART IV HIGH COURT

Common
High
Court for
Punjab.

29. (1) On and from the appointed day,—

(a) there shall be a common High Court for the States of Punjab and Haryana and for the Union territory of Chandigarh ³⁵

to be called the High Court of Punjab and Haryana (hereinafter referred to as the common High Court); Haryana and Chandigarh.

(b) the Judges of the High Court of Punjab holding office immediately before that day shall, unless they have elected otherwise, become on that day the Judges of the common High Court.

(2) The expenditure in respect of salaries and allowances of the Judges of the common High Court shall be allocated amongst the States of Punjab and Haryana and the Union in such proportion as the President may, by order, determine.

10 30. On and from the appointed day, the common High Court shall have, in respect of the territories comprised in the States of Punjab and Haryana and the Union territory of Chandigarh, all such jurisdiction, powers and authority as, under the law in force immediately before the appointed day, are exercisable in respect of those territories by the High Court of Punjab and shall save as otherwise provided in this Part, have no jurisdiction in respect of the transferred territory.

31. (1) On and from the appointed day,—

25 of 1961. 20 (a) in the Advocates Act, 1961, in sub-section (1) of section 3, for clause (d), the following clause shall be substituted, namely:—

“(d) for the States of Punjab and Haryana and the Union territories of Chandigarh and Himachal Pradesh, to be known as the Bar Council of Punjab and Haryana;”;

Special provision relating to Bar Council and advocates.

25 (b) the Bar Council of Punjab shall be deemed to be the Bar Council of Punjab and Haryana with the Advocate-General of the State of Haryana also as an *ex-officio* member.

(2) Any person who immediately before the appointed day is an advocate entitled to practise in the High Court of Punjab shall be entitled to practise as an advocate in the common High Court.

(3) All persons who immediately before the appointed day are advocates on the roll of the Bar Council of Punjab shall, as from that day, become advocates on the roll of the Bar Council of Punjab and Haryana.

35 (4) The right of audience in the common High Court shall be regulated in accordance with the like principles as immediately before the appointed day are in force with respect to the right of audience in the High Court of Punjab:

Provided that as between the Advocate-General of Punjab and 40 the Advocate-General of Haryana, the right of audience shall be determined with reference to their dates of enrolment as advocates.

Practice and procedure in common High Court.

Custody of Seal of common High Court.

Form of writs and other processes.

Powers of Judges.

Principal seat and other places of sitting of the common High Court.

Procedure as to appeals to Supreme Court.

32. Subject to the provisions of this Part, the law in force immediately before the appointed day with respect to practice and procedure in the High Court of Punjab shall, with the necessary modifications, apply in relation to the common High Court.

33. The law in force immediately before the appointed day with respect to the custody of the seal of the High Court of Punjab shall, with the necessary modifications, apply with respect to the custody of the seal of the common High Court. 5

34. The law in force immediately before the appointed day with respect to the form of writs and other processes used, issued or awarded by the High Court of Punjab shall, with the necessary modifications, apply with respect to the form of writs and other processes used, issued or awarded by the common High Court. 10

35. The law in force immediately before the appointed day with respect to the powers of the Chief Justice, single Judges and division courts of the High Court of Punjab and with respect to all matters ancillary to the exercise of those powers shall, with the necessary modifications, apply in relation to the common High Court. 15

36. (1) The principal seat of the common High Court shall, unless otherwise determined by the President after consultation with the Chief Justice of that High Court and the Governors of Punjab and Haryana, be at the same place as the principal seat of the High Court of Punjab immediately before the appointed day. 20

(2) The President may, after consultation with the Chief Justice of the common High Court and the Governors of the States of Punjab and Haryana, by notified order, provide for the establishment of a permanent bench or benches of that High Court at one or more places within the territories to which the jurisdiction of the High Court extends, other than the principal seat of the High Court, and for any matters connected therewith. 25 30

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), the Judges and division courts of the common High Court may also sit at such other place or places in the States of Punjab and Haryana as the Chief Justice may, with the approval of the Governors of the States of Punjab and Haryana, appoint. 35

37. The law in force immediately before the appointed day relating to appeals to the Supreme Court from the High Court of Punjab and the Judges and division courts thereof, shall, with the necessary modifications, apply in relation to the common High Court. 40

38. On and from the appointed day, the jurisdiction of the Court of the Judicial Commissioner for Himachal Pradesh shall extend to the transferred territory.

Extension of jurisdiction of the Court of Judicial Commissioner for Himachal Pradesh.
Transfer of pending proceedings.

5 39. (1) All proceedings pending in the High Court of Punjab immediately before the appointed day shall, on that day, stand transferred to the common High Court.

10 (2) Such proceedings which stand transferred to the common High Court under sub-section (1) as are certified by the Chief Justice of the common High Court, having regard to the place of accrual of the cause of action and other circumstances, to be proceedings which ought to be heard and decided by the Court of the Judicial Commissioner for Himachal Pradesh shall, as soon as may be after such certification, be transferred to the Court of the Judicial Commissioner for Himachal Pradesh.

15 (3) Notwithstanding anything contained in the foregoing provisions of this Part, but save as hereinafter provided, the common High Court shall have, and the Court of the Judicial Commissioner for Himachal Pradesh shall not have, jurisdiction to entertain, hear or dispose of appeals, applications for leave to appeal to the

20 Supreme Court, applications for review and other proceedings where any such proceedings seek any relief in respect of any order passed by the High Court of Punjab before the appointed day:

Provided that if, after any such proceedings have been entertained by the common High Court, it appears to the Chief Justice of that High Court that they ought to be transferred to the Court of the Judicial Commissioner for Himachal Pradesh, he shall order that they shall be so transferred, and such proceedings shall thereupon be transferred accordingly.

(4) Any order—

30 (a) made by the High Court of Punjab before the appointed day, in any proceeding transferred to the Court of the Judicial Commissioner for Himachal Pradesh by virtue of sub-section (2), or

35 (b) made by the common High Court in any proceeding with respect to which that High Court has jurisdiction by virtue of sub-section (3),

shall for all purposes have effect not only as an order of the High Court of Punjab or, as the case may be, of the common High Court

but also as an order made by the Court of the Judicial Commissioner for Himachal Pradesh.

Inter-
pretation.

40. For the purposes of this Part,—

(a) proceedings shall be deemed to be pending in a court until that court has disposed of all issues between the parties including any issues with respect to the taxation of the costs of the proceedings and shall include appeals, applications for leave to appeal to the Supreme Court, applications for review, petitions for revision and petitions for writs; and

(b) references to a High Court shall be construed as including references to a Judge or division court thereof, and references to an order made by a court or a Judge shall be construed as including references to a sentence, judgment or decree passed or made by that court or Judge.

Savings.

41. Nothing in this Part shall affect the application to the common 15 High Court of any provisions of the Constitution, and this Part shall have effect subject to any provision that may be made on or after the appointed day with respect to that High Court by any Legislature or other authority having power to make such provision.

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PART V

AUTHORISATION OF EXPENDITURE AND DISTRIBUTION OF REVENUES

Authori-
sation of
expendi-
ture of
the State
of
Haryana.

42. The Governor of the existing State of Punjab may, at any time, before the appointed day, authorise such expenditure from the Consolidated Fund of the State of Haryana as he deems necessary 25 for any period not extending beyond the 31st day of March, 1967, pending the sanction of such expenditure by the Legislative Assembly of Haryana:

Provided that the Governor of Haryana may, after the appointed day, authorise such further expenditure from the Consolidated Fund of the State as he deems necessary for the said period pending such 30 sanction.

Approp-
riation of
moneys
for expen-
diture in
transferred
territory.

43. (1) On and from the appointed day, any Act passed by the Legislative Assembly of the Union territory of Himachal Pradesh before that day for the appropriation of any money out of the Consolidated Fund of that Union territory to meet any expenditure in 35 respect of any part of the financial year 1966-67 shall have effect also in relation to the transferred territory and it shall be lawful for the Government of Himachal Pradesh to spend any amount in the transferred territory out of the amount authorised by such Act to be expended for any service in that Union territory.

40

(2) The Administrator of Himachal Pradesh may, after the appointed day, authorise such expenditure from the Consolidated Fund of the Union territory as he deems necessary for any purpose or service in the transferred territory for any period not extending beyond the 31st day of March, 1967, pending the sanction of such expenditure by the Legislative Assembly of Himachal Pradesh.

44. (1) The reports of the Comptroller and Auditor-General of India referred to in clause (2) of article 151 relating to the accounts of the existing State of Punjab in respect of any period prior to the appointed day, shall be submitted to the Governor of each of the States of Punjab and Haryana and the Administrator of Himachal Pradesh who shall cause them to be laid before the Legislature of that State or Union territory, as the case may be.

(2) The President may by order—

15 (a) declare any expenditure incurred out of the Consolidated Fund of Punjab on any service in respect of any period prior to the appointed day during the financial year 1966-67 or in respect of any earlier financial year in excess of the amount granted for that service and for that year as disclosed in the reports referred to in sub-section (1) to have been duly authorised, and

20 (b) provide for any action to be taken on any matter arising out of the said reports.

45. The allowances and privileges of the Governor of Haryana shall, until provision in that behalf is made by Parliament by law under clause (3) of article 158, be such as the President may, by order, determine.

Allowances and privileges of Governor of Haryana.

3 of 1962. 46. The Constitution (Distribution of Revenues) Order, 1965; the Union Duties of Excise (Distribution Act, 1962, the Additional Duties 58 of 1957. 30 of Excise (Goods of Special Importance) Act, 1957, and the Estate 9 of 1962. Duty (Distribution) Act, 1962, shall on and from the appointed day, stand amended as directed in the Twelfth Schedule.

Distribution of revenues.

PART VI

APPORTIONMENT OF ASSETS AND LIABILITIES

35 47. The provisions of this Part shall apply in relation to the apportionment of the assets and liabilities of the existing State of Punjab immediately before the appointed day.

Application of Part.

Land
and
goods.

48. (1) Subject to the other provisions of this Part, all land and all stores, articles and other goods belonging to the existing State of Punjab shall,—

(a) if within that State, pass to the successor State in whose territories they are situated; or 5

(b) if outside that State, pass to the State of Punjab:

Provided that where the Central Government is of the opinion that any goods or class of goods should be distributed among the successor States otherwise than according to the situation of the goods, the Central Government may issue such directions as it thinks fit for ¹⁰ a just and equitable distribution of the goods and the goods shall pass to the successor States accordingly.

(2) Stores held for specific purposes, such as use or utilisation in particular institutions, workshops or undertakings or on particular works under construction, shall pass to the successor State in whose ¹⁵ territories such institutions, workshops, undertakings or works are located.

(3) Stores relating to the Secretariat and offices of Heads of Departments having jurisdiction over the whole of the existing State of Punjab shall be divided between the successor States in ²⁰ accordance with such directions as the Central Government may think fit to issue for a just and equitable distribution of such stores.

(4) Any other unissued stores of any class in the existing State of Punjab shall be divided between the successor States in proportion to the total stores of that class purchased in the period of three years ²⁵ ending with the 31st day of March, 1966, for the territories of the existing State of Punjab included respectively in each of the successor States;

Provided that where such proportion cannot be ascertained in respect of any class of stores or where the value of any class of such ³⁰ stores does not exceed rupees ten thousand, that class of stores shall be divided between the successor States according to the population ratio.

(5) Notwithstanding anything contained in this Act, the lands specified in the Thirteenth Schedule which were acquired by the ³⁵ Government of the existing State of Punjab—

(i) for the sewerage scheme of Chandigarh,

(ii) for soil conservation measures in the catchment area of Sukhna lake, and

(iii) for the setting up of brick kilns of the Chandigarh Capital Project,

together with all connected works in or over such land (including any plant, machinery or implements) shall vest in the Union.

5 (6) In this section, the expression "land" includes immovable property of every kind and any rights in or over such property, and the expression "goods" does not include coins, bank notes and currency notes.

49. The total of the cash balances in all treasuries of the existing State of Punjab and the credit balances of that State with the Reserve Bank of India, the State Bank of India or any other bank immediately before the appointed day shall be divided between the successor States according to the population ratio: Treasury and bank balances.

15 Provided that for the purposes of such division, there shall be no transfer of cash balances from any treasury to any other treasury and the apportionment shall be effected by adjusting the credit balances of the successor States in the books of the Reserve Bank of India on the appointed day:

20 Provided further that if any successor State has no account with the Reserve Bank of India, the adjustment shall be made in such manner as the Central Government may, by order, direct.

50. The right to recover arrears of any tax or duty on property, Arrears including arrears of land revenue, shall belong to the successor State of taxes. in whose territories the property is situated, and the right to recover 25 arrears of any other tax or duty shall belong to the successor State in whose territories the place of assessment of that tax or duty is included.

51. (1) The right to recover any loans or advances made before the appointed day by the existing State of Punjab to any local body, 30 society, agriculturist or other person in an area within that State shall belong to the successor State in whose territories that area is included: Right to recover loans and advances.

35 Provided that the right to recover loans or advances of pay and travelling allowance to a Government servant made before the appointed day by the existing State of Punjab shall pass to the successor State to which such Government servant is allotted.

(2) The right to recover any loans or advances made before the appointed day by the existing State of Punjab to any person or institution outside that State shall belong to the State of Punjab:

Provided that any sum recovered in respect of any such loan or advance shall be divided between all the successor States according to the population ratio.

Investments and credits in certain funds.

52. (1) The investments made from the Cash Balance Investment Account, the Famine Relief Fund and any other general fund of the existing State of Punjab, the sums at the credit of that State in the Central Road Fund and the sums held in the Defence and Security Relief Fund shall be divided between the successor States according to the population ratio; and the investments in any special fund the objects of which are confined to a local area in the existing State 10 of Punjab shall pass to the successor State in whose territories that area is included.

(2) The investments of the existing State of Punjab immediately before the appointed day in any private commercial or industrial undertaking, in so far as such investments have not been made or 15 are deemed not to have been made from the Cash Balance Investment Account, shall pass to the successor State in whose territories the principal seat of business of the undertaking is located and where on that day the principal seat of business of the undertaking is located outside the territories of the existing State of Punjab such 20 investments shall be divided between all the successor States in the population ratio.

(3) Where any body corporate constituted under a Central Act, State Act or Provincial Act for the existing State of Punjab or any part thereof has, by virtue of the provisions of Part II, become an inter-State body corporate, the investments in, or loans or advances to, any such body corporate by the existing State of Punjab made before the appointed day shall, save as otherwise expressly provided by or under this Act, be divided between the successor States in the same proportion in which the assets of the body corporate are divided under 30 the provisions of Part VII.

Assets and liabilities of State undertakings.

53. (1) The assets and liabilities relating to any commercial or industrial undertaking of the existing State of Punjab shall pass to the successor State in whose territories the undertaking is located.

(2) Where a depreciation reserve fund is maintained by the existing State of Punjab for any commercial or industrial undertaking, the securities held in respect of investments made from that fund shall pass to the successor State in whose territories the undertaking is located. 35

(3) Where any such undertaking is located in more than one 40 successor State, the assets and liabilities and the securities referred

to in sub-sections (1) and (2) respectively shall be divided in such manner as may be agreed upon between the successor States before the 1st day of November, 1967, or in default of such agreement, as the Central Government may by order direct.

5 54. (1) The public debt of the existing State of Punjab attributable to loans raised by the issue of Government securities and outstanding with the public immediately before the appointed day shall, on and from that day, be the debt of the State of Punjab, and—

10 (a) the other successor States shall be liable to pay to the State of Punjab their shares of the sums due from time to time for the servicing and repayment of the debt, and

(b) for the purpose of determining the said shares, the debt shall be deemed to be divided between the successor States as if it were a debt referred to in sub-section (4).

15 54. (2) The public debt of the existing State of Punjab attributable to loans taken from the Central Government, the National Co-operative Development Corporation or the Khadi and Village Industries Commission or from any other source for the purpose of re-lending the same to a specific institution or class of institutions and outstanding immediately before the appointed day shall—

(a) if re-lent to any local body, body corporate or other institution in any local area, be the debt of the successor State in whose territories the local area is included on the appointed day; or

25 (b) if re-lent to the Punjab State Electricity Board or any other institution which becomes an inter-State institution on the appointed day, be divided between the successor States in the same proportion in which the assets of such body corporate or institution are divided under the provisions of Part VII.

30 (3) The public debt of the existing State of Punjab attributable to loans taken from the Central Government for the Beas Project and the Bhakra-Nangal Project as defined in sub-section (4) of section 78 shall be divided between the successor States in such proportion as may be agreed upon between them, or if no agreement is entered into 35 within two years from the appointed day, as may be fixed by order of the Central Government.

(4) The remaining public debt of the existing State of Punjab attributable to loans taken from the Central Government, the Reserve Bank of India or any other body or bank before the appointed day 40 shall be divided between the successor States in proportion to the

total expenditure on all capital works and other capital outlays incurred or deemed to have been incurred up to the appointed day in the territories of the existing State of Punjab included respectively in each of those successor States:

Provided that in computing such expenditure, the expenditure on the Beas Project and the Bhakra-Nangal Project as defined in sub-section (4) of section 78 shall be excluded and the expenditure on other assets for which capital accounts have been kept shall be taken into account. 5

Explanation.—Where any expenditure on capital works or other capital outlays cannot be allocated between the territories included in the successor States, such expenditure shall, for the purpose of this sub-section, be deemed to have been incurred in those territories according to the population ratio.

(5) Where a sinking fund or depreciation fund is maintained by the existing State of Punjab for repayment of any loan referred to in sub-section (3), the securities held in respect of the investments made from that fund shall be divided between the successor States in the same proportion and in the same manner as the public debt referred to in sub-section (3). 15 20

(6) Where a sinking fund or depreciation fund is maintained by the existing State of Punjab for the repayment of any loan raised by it other than a loan referred to in sub-section (3), the securities held in respect of the investments made from that fund shall be divided between the successor States in the same proportion as the 25 public debt referred to in sub-section (4).

(7) In this section, the expression "Government security" means a security created and issued by a State Government for the purpose of raising a public loan and having any of the forms specified in, or prescribed under, clause (2) of section 2 of the Public Debt Act, 30 18 of 1944. 1944.

Refund of taxes collected in excess.

55. The liability of the existing State of Punjab to refund any tax or duty on property, including land revenue, collected in excess shall be the liability of the successor State in whose territories the property is situated, and the liability of the existing State of Punjab 35 to refund any other tax or duty collected in excess shall be the liability of the successor State in whose territories the place of assessment of that tax or duty is included.

Deposits, etc.

56. (1) The liability of the existing State of Punjab in respect of any civil deposit or local fund deposit shall, on and from the 40

appointed day, be the liability of the successor State in whose territories the deposit has been made:

Provided that if the deposit is made in any area outside the existing State, the liability shall be that of the State of Punjab in the first 5 instance and shall be adjusted between the successor States according to the population ratio.

(2) The liability of the existing State of Punjab in respect of any charitable or other endowment shall, on and from the appointed day, be the liability of the successor State in whose territories the 10 institution entitled to the benefit of the endowment is located or of the successor State to which the objects of the endowment, under the terms thereof, are confined.

57. (1) The liability of the existing State of Punjab in respect of the provident fund account of a Government servant in service fund, on the appointed day shall, on and from that day, be the liability 15 of the successor State to which that Government servant is permanently allotted.

(2) The liability of the existing State of Punjab in respect of the provident fund account of a Government servant who has retired 20 from service before the appointed day shall be the liability of the State of Punjab in the first instance and shall be adjusted between the successor States according to the population ratio.

58. The liability of the existing State of Punjab in respect of Pensions. pensions shall pass to, or be apportioned between, the successor 25 States in accordance with the provisions contained in the Fourteenth Schedule.

59. (1) Where before the appointed day the existing State of Punjab has made any contract in the exercise of its executive power for any purposes of the State, that contract shall be deemed to have 30 been made in the exercise of the executive power— Contracts.

(a) if the purposes of the contract are, on and from the appointed day, exclusively purposes of any one of the successor States,—of that State; and

(b) if the purposes of the contract are, on and from that 35 day, not exclusively purposes of any one of the successor States,— of the State of Punjab,

and all rights and liabilities which have accrued, or may accrue, under any such contract shall, to the extent which they would have been rights or liabilities of the existing State of Punjab, be rights or

liabilities of the successor State or, as the case may be, the State of Punjab specified above:

Provided that in any such case as is referred to in clause (b), the initial allocation of rights and liabilities made by this sub-section shall be subject to such financial adjustment as may be agreed upon 5 between all the successor States concerned, or in default of such agreement, as the Central Government may by order direct.

(2) For the purposes of this action, there shall be deemed to be included in the liabilities which have accrued or may accrue under any contract—
10

(a) any liability to satisfy an order or award made by any court or other tribunal in proceedings relating to the contract; and

(b) any liability in respect of expenses incurred in or in connection with any such proceedings.
15

(3) This section shall have effect subject to the other provisions of this Part relating to the apportionment of liabilities in respect of loans, guarantees and other financial obligations; and bank balances and securities shall, notwithstanding that they partake of the nature of contractual rights, be dealt with under those provisions.
20

Liability in respect of actionable wrong. 60. Where, immediately before the appointed day, the existing State of Punjab is subject to any liability in respect of an actionable wrong other than breach of contract, that liability shall,—

(a) if the cause of action arose wholly within the territories which on and from that day are the territories of one of the 25 successor States, be a liability of that successor State; and

(b) in any other case, be initially a liability of the State of Punjab, but subject to such financial adjustment as may be agreed upon between all the successor States concerned, or in default of such agreement, as the Central Government may by 30 order direct.

Liability as guarantor. 61. Where, immediately before the appointed day, the existing State of Punjab is liable as guarantor in respect of any liability of a registered co-operative society or other person, that liability of the existing State of Punjab shall—
35

(a) if the area of the operations of such society or person is limited to the territories which on and from that day are the

territories of one of the successor States, be a liability of that successor State; and

(b) in any other case, be a liability of the State of Punjab:

Provided that in any such case as is referred to in clause (b), the initial allocation of liabilities under this section shall be subject to such financial adjustment as may be agreed upon between all the successor States, or in default of such agreement, as the Central Government may by order direct.

62. If any item in suspense is ultimately found to affect an asset or liability of the nature referred to in any of the foregoing provisions of this Part, it shall be dealt with in accordance with that provision.

63. The benefit or burden of any assets or liabilities of the existing State of Punjab not dealt with in the foregoing provisions of this Part shall pass to the State of Punjab in the first instance, subject to such financial adjustment as may be agreed upon between all the successor States before the 1st day of November, 1967, or in default of such agreement as the Central Government may by order direct.

64. Where the successor States agree that the benefit or burden of any particular asset or liability should be apportioned between them in a manner other than that provided for in the foregoing provisions of this Part, then, notwithstanding anything contained therein, the benefit or burden of that asset or liability shall be apportioned in the manner agreed upon.

65. Where, by virtue of any of the provisions of this Part, any of the successor States becomes entitled to any property or obtains any benefits or becomes subject to any liability, and the Central Government is of opinion, on a reference made within a period of three years from the appointed day by any State that it is just and convenient that that property or those benefits should be transferred to, or shared with, one or more of the other successor States, or that a contribution towards that liability should be made by one or more of the other successor States, the said property or benefits shall be allocated in such manner, or the other successor State or States shall make to the State primarily subject to the liability such contribution in respect thereof, as the Central Government may, after consultation with the State Governments concerned by order determine.

Certain expenditure to be charged on the Consolidated Fund.

66. All sums payable by the Union to any State or by any State to any other State or to the Union by virtue of the provisions of this Part, or sub-section (4) of section 72, or section 77, or Part VIII shall be charged on the Consolidated Fund of India, or as the case may be, the Consolidated Fund of the State by which such sums are payable:

Provided that where any sums are payable as aforesaid by the Union in relation to the transferred territory, the Central Government may by order direct that sums payable in respect of such liabilities as may be specified therein shall be charged on the Consolidated Fund of the Union territory of Himachal Pradesh.

PART VII

PROVISIONS AS TO CERTAIN CORPORATIONS

Provisions as to certain Corporations.

67. (1) The following bodies corporate constituted for the existing State of Punjab, namely:— 15

(a) the State Electricity Board constituted under the Electricity Supply Act, 1948; and 54 of 1948.

(b) the State Warehousing Corporation established under the Warehousing Corporations Act, 1962, 59 of 1962.

shall, on and from the appointed day, continue to function in those 20 areas in respect of which they were functioning immediately before that day subject to the provisions of this section and to such directions as may, from time to time, be issued by the Central Government.

(2) Any directions issued by the Central Government under sub-section (1) in respect of the Board or the Corporation may include a direction that the Act under which the Board or the Corporation was constituted shall, in its application to that Board or Corporation, have effect subject to such exceptions and modifications as the Central Government thinks fit. 25

(3) The Board or the Corporation referred to in sub-section (1) shall cease to function as from, and shall be deemed to be dissolved on, the 1st day of November, 1967, or such earlier date as the Central Government may, by order, appoint and upon such dissolution, its assets, rights and liabilities shall be apportioned between the successor States in such manner as may be agreed upon among them within one year of the dissolution of the Board or the Corporation, as the case may be, or if no agreement is reached, in such manner as the Central Government may, by order, determine. 30 35

(4) Nothing in the preceding provisions of this section shall be construed as preventing the Government of any of the successor States from constituting at any time on or after the appointed day, a State Electricity Board or a State Warehousing Corporation for that 5 State under the provisions of the Act relating to such Board or Corporation; and if such a Board or a Corporation is so constituted in any of the successor States before the dissolution of the Board or the Corporation referred to in sub-section (1),—

10 (a) provision may be made by order of the Central Government enabling the new Board or the new Corporation to take over from the existing Board or Corporation all or any of its undertakings, assets, rights and liabilities in that State, and

15 (b) upon the dissolution of the existing Board or Corporation, any assets, rights and liabilities which would otherwise have passed to that State by or under the provisions of sub-section (3) shall pass to the new Board or the new Corporation instead of to that State.

68. If it appears to the Central Government that the arrangement in regard to the generation or supply of electric power or the supply 20 of water for any area or in regard to the execution of any project for such generation or supply has been or is likely to be modified to the disadvantage of that area by reason of the fact that it has been transferred by the provisions of Part II from the State in which the power stations and other installations for the generation and supply 25 of such power, or the catchment area, reservoirs and other works for the supply of water, as the case may be, are located, the Central Government may give such directions as it deems fit, to the State Government or other authority concerned for the maintenance, so far as practicable, of the previous arrangement.

30 69. (1) The Punjab State Financial Corporation established 35 of 1951, under the State Financial Corporations Act, 1951, shall on and from the appointed day continue to function in those areas in respect of which it was functioning immediately before that day subject to the provisions of this section and to such directions, as may from time to 35 time, be issued by the Central Government.

(2) Any directions issued by the Central Government under sub-section (1) in respect of the Corporation may include a direction that the said Act, in its application to the Corporation, shall have effect subject to such exceptions and modifications as may be specified in the direction.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), the Board of Directors of the Corporation may, with the previous approval of the Central Government and shall, if so required by the Central Government, convene at any time after the appointed day a meeting for the consideration of a scheme for the re-constitution or reorganisation or dissolution, as the case may be, of the Corporation, including proposals regarding the formation of new corporations and the transfer thereto of the assets, rights and liabilities of the existing Corporation, and if such a scheme is approved at a general meeting by a resolution passed by a majority of the shareholders present and voting, the scheme shall be submitted to the Central Government for its sanction. 5 10

(4) If the scheme is sanctioned by the Central Government either without modifications or with modifications which are approved at a general meeting, the Central Government shall certify the scheme, 15 and upon such certification the scheme shall, notwithstanding anything to the contrary contained in any law for the time being in force, be binding on the corporation affected by the scheme as well as the shareholders and creditors thereof.

(5) If the scheme is not so approved or sanctioned, the Central 20 Government may refer the scheme to such Judge of the High Court of Punjab and Haryana as may be nominated in this behalf by the Chief Justice thereof and the decision of the Judge in regard to the scheme shall be final and shall be binding on the Corporations affected by the scheme as well as the shareholders and creditors thereof. 25

(6) Nothing in the preceding provisions of this section shall be construed as preventing the Government of the State of Haryana or Punjab from constituting at any time after the appointed day and with the approval of the Central Government, a State Financial Corporation for that State under the State Financial Corporations 30 Act, 1951. 63 of 1951.

70. In the Multi-Unit Co-operative Societies Act, 1942, after section 5C, the following section shall be inserted, namely:—

“5D. (1) Where, in respect of any co-operative society specified in the fifteenth Schedule to the Punjab Reorganisation Act, 35 1966, which under the provisions of sub-section (1) of section 5A would become a multi-unit co-operative society, the Board of Directors adopts, by a majority of not less than three-fourths of the directors, any scheme for the reconstitution, reorganisation or dissolution of the society, including proposals regarding— 40

(a) the formation of new co-operative societies and the

Amend-
ment of
Act 6 of
1942.

Transi-
tional
provision
relating to
certain
multi-
unit co-
operative
societies.

transfer thereto, in whole or in part, of the assets and liabilities and employees of that society; or

5 (b) the transfer, in whole or in part, of the assets and liabilities and employees of that society to any other co-operative society in the existing State of Punjab or in the Union territory of Himachal Pradesh;

and the State Government of Punjab certifies the scheme at any time before the 1st day of November, 1966, then, notwithstanding anything contained in sub-section (2) or sub-section (3) or sub-section (4) of the said section or any other law, regulation or bye-law for the time being in force in relation to that society, the scheme so certified shall be binding on all societies affected by the scheme, as well as the shareholders, creditors and employees of all such societies, subject to such financial adjustments as may be directed in 15 this behalf under sub-section (3), but no such scheme shall be given effect to before the said day:

Provided that where a scheme includes any proposal regarding the transfer of assets and liabilities and employees to any co-operative society referred to in clause (b), the scheme shall not be binding 20 on that existing society or the shareholders and creditors thereof, unless the proposal relating to such transfer is accepted by the existing society by a resolution passed by a majority of the members present at a meeting of its general body.

(2) When a scheme in respect of a co-operative society is so certified, 25 the Central Registrar shall place the scheme at a meeting, held in such manner as may be prescribed by rules made under this Act, of all the persons who, immediately before the date of certification of the scheme, were members of the society, and the scheme may be approved by a resolution passed by a majority of the members present and voting at the said meeting.

(3) If the scheme is not so approved or is approved with modifications, the Central Registrar may refer the scheme to such Judge of the High Court of Punjab and Haryana as may be nominated in this behalf by the Chief Justice thereof and the Judge may direct such 35 financial adjustments to be made among the societies affected as he deems necessary, and the scheme shall be deemed to be approved subject to those financial adjustments.

(4) If, in consequence of the directions given under sub-section (3), a society becomes liable to pay any sum of money, the successor 40 State within whose area the society is located shall be deemed to be guarantor in respect of the payment of such money and shall be liable as such.”.

Provision
as to co-
operative
banks.

71. Notwithstanding anything contained in section 22 of the Banking Regulation Act, 1949, where on account of the reorganisation of the existing State of Punjab, a co-operative bank is newly formed on the appointed day or within three months thereon in any of the successor States, it may commence and conduct banking business without obtaining a licence under that section from the Reserve Bank of India, until it is granted such a licence or until it is informed by the Reserve Bank of India that such a licence cannot be granted to it: 5 of 1949.

Provided that such bank applies to the Reserve Bank of India for such a licence within a period of three months from the date of formation of the bank. 10

General
provisions
as to sta-
tutory
corpora-
tions.

72. (1) Save as otherwise expressly provided by the foregoing provisions of this Part, where any body corporate constituted under a Central Act, State Act or Provincial Act for the existing State of Punjab or any part thereof serves the needs of the successor States or has, by virtue of the provisions of Part II, become an inter-State body corporate, then, the body corporate shall, on and from the appointed day, continue to function and operate in those areas in respect of which it was functioning and operating immediately before that day, subject to such directions as may from time to time be issued by the Central Government, until other provision is made by law in respect of the said body corporate. 15

(2) Any direction issued by the Central Government under sub-section (1) in respect of any such body corporate may include a direction that any law by which the said body corporate is governed shall, in its application to that body corporate, have effect, subject to such exceptions and modifications as may be specified in the direction. 25

(3) For the removal of doubt it is hereby declared that the provisions of this section shall apply also to the Punjab University constituted under the Punjab University Act, 1947, the Punjab Agricultural University constituted under the Punjab Agricultural University Act, 1961, and the Board constituted under the provisions of Part III of the Sikh Gurdwaras Act, 1925. 30

(4) For the purpose of giving effect to the provisions of this section in so far as it relates to the Punjab University and the Punjab Agricultural University referred to in sub-section (2) the successor States make such grants as the Central Government may, from time to time, by order, determine. 35

Provision
as to
certain
companies.

73. (1) Notwithstanding anything contained in the Companies Act, 1956, each of the following companies, namely:—

(i) the Punjab Export Corporation;

East
Punjab
Act 7 of
1947.
Punjab
Act 32 of
1961.
Punjab
Act 8 of
1925.

1 of 1956.

(ii) the Punjab State Small Industries Corporation; and
 (iii) the Punjab Dairy Development Corporation;

5 shall, on and from the appointed day, continue to function in the areas in respect of which it was functioning immediately before that day, subject to such directions as may, from time to time, be issued by the Central Government.

(2) Any directions issued under sub-section (1) in respect of a company referred to in that sub-section, may include directions—

10 (a) regarding the division of the interests and shares of the existing State of Punjab in the company among the successor States;

(b) requiring the reconstitution of the Board of Directors of the company so as to give adequate representation to all the successor States.

15 74. (1) Notwithstanding anything contained in section 63 of the Motor Vehicles Act 1939, a permit granted by the State or a Regional Transport Authority in the existing State of Punjab shall, if such permit was, immediately before the appointed day, valid and effective in any area therein, be deemed to continue to be valid and effective in that area after that day subject to the provisions of that Act as for the time being in force in that area and it shall not be necessary for any such permit to be countersigned by any State or Regional Transport Authority for the purpose of validating it for use in such area:

20 25 Provided that the Central Government may, after consultation with the State Government or Governments concerned, add to, amend or vary the conditions attached to the permit by the authority by which the permit was granted.

(2) No tolls, entrance fees or other charges of a like nature shall be levied after the appointed day in respect of any transport vehicle for its operations in any of the successor States under any such permit, if such vehicle was immediately before that day exempt from the payment of any such toll, entrance fees or other charges for its operations within the existing State of Punjab:

30 35 Provided that the Central Government may, after consultation with the State Government or Governments concerned, authorise the levy of any such toll, entrance fees or other charges, as the case may be.

Temporary provisions as to continuance of certain existing road transport permits.

Special provision relating to retrenchment-compensation in certain cases.

75. Where, on account of the reorganisation of the existing State of Punjab under this Act, any body corporate constituted under a Central Act, State Act or Provincial Act, any co-operative society registered under any law relating to co-operative societies or any commercial or industrial undertaking of that State is reconstituted or reorganised in any manner whatsoever or is amalgamated with any other body corporate, co-operative society or undertaking, or is dissolved, and in consequence of such reconstitution, reorganisation, amalgamation or dissolution, any workman employed by such body corporate of any such co-operative society or undertaking, is transferred to, or re-employed by any other body corporate, or in any other co-operative society or undertaking, then notwithstanding anything contained in section 25F, 25FF or 25FFF, of the Industrial Disputes Act, 1947, such transfer or re-employment shall not entitle him to any compensation under that section: 14 of 1947. 15

Provided that—

(a) the terms and conditions of service applicable to the workman after such transfer or re-employment are not less favourable to the workman than those applicable to him immediately before the transfer or re-employment; and 20

(b) the employer in relation to the body corporate, the co-operative society or the undertaking where the workman transferred or re-employed is, by agreement or otherwise, legally liable to pay to the workman, in the event of his retrenchment, compensation under section 25F, 25FF or 25FFF of the Industrial Dis- 25 14 of 1947. 25putes Act, 1947, on the basis that his service has been continuous and has not been interrupted by the transfer or re-employment.

Special provision as to income-tax

76. Where the assets, rights and liabilities of any body corporate carrying on business are, under the provisions of this Part, transferred to any other bodies corporate which after the transfer carry on the same business, the losses of profits or gains sustained by the body corporate first mentioned which, but for such transfer, would have been allowed to be carried forward and set off in accordance with the provisions of Chapter VI of the Income-tax Act, 1961, shall be apportioned amongst the transferee bodies corporate in accordance with the rules to be made by the Central Government in this behalf and, upon such apportionment, the share of loss allotted to each transferee body corporate shall be dealt with in accordance with the provisions of Chapter VI of the said Act as if the transferee body corporate had itself sustained such loss in a business carried on by it in the years in which these losses were sustained. 35 43 of 1981. 40

77.(1) The Government of the State of Haryana or Punjab or, as the case may be, the Central Government in relation to the transferred territory or the Union territory of Chandigarh, shall in respect of the institutions specified in the Sixteenth Schedule located in the State or territory aforesaid continue to provide facilities to any other Government aforesaid and the people of the States and territories aforesaid which shall not, in any respect, be less favourable to such Government and people than what were being provided to them before the appointed day for such period and upon such terms and conditions (including those relating to any contributions to be made for the provision of such facilities) as may be agreed upon between the said Governments before the 1st day of April, 1967, or if no agreement is reached by the said date, as may be fixed by order of the Central Government.

15 (2) The Central Government may, at any time before the 1st day of April, 1967, by notification in the Official Gazette, specify in the Sixteenth Schedule any other institution existing on the appointed day in the said States and territories and on the issue of such notification, the Schedule shall be deemed to be amended by the 20 inclusion of the said institution therein.

PART VIII

BHAKRA-NANGAL AND BEAS PROJECTS

78. (1) Notwithstanding anything contained in this Act but subject to the provisions of sections 79 and 80, all rights and liabilities of the existing State of Punjab in relation to Bhakra-Nangal Project and Beas Project shall, on the appointed day, be the rights and liabilities of the successor States in such proportion as may be fixed, and subject to such adjustments as may be made, by agreement entered into by the said States after consultation with the 25 Central Government or, if no such agreement is entered into within two years of the appointed day, as the Central Government may by order determine having regard to the purposes of the Projects:

Provided that the order so made by the Central Government may be varied by any subsequent agreement entered into by the 35 successor States after consultation with the Central Government.

(2) An agreement or order referred to in sub-section (1) shall, if there has been an extension or further development of either of the projects referred to in that sub-section after the appointed day, provide also for the rights and liabilities of the successor States in 40 relation to such extension or further development.

Continuance of facilities in certain State institutions.

Rights and liabilities in regard to Bhakra-Nangal and Beas Projects.

(3) The rights and liabilities referred to in sub-sections (1) and (2) shall include—

(a) the rights to receive and to utilise the water available for distribution as a result of the projects, and

(b) the rights to receive and to utilise the power generated as a result of the projects,⁵

but shall not include the rights and liabilities under any contract entered into before the appointed day by the Government of the existing State of Punjab with any person or authority other than Government.¹⁰

(4) In this section and in sections 79 and 80,—

(A) "Beas Project" means the works which are either under construction or are to be constructed as components of the Beas-Sutlej Link Project (Unit I) and Pong Dam Project on the Beas river (Unit II) including—¹⁵

(i) Beas-Sutlej Link Project (Unit I) comprising—

(a) Pandoh Dam and works appurtenant thereto,

(b) Pandoh-Baggi Tunnel,

(c) Sundernagar Hydel Channel,

(d) Sundernagar-Sutlej Tunnel,²⁰

(e) By-pass Tunnel,

(f) four generating units each of 165 M.W. capacity at Dehar Power House on the right side of Sutlej river,

(g) fifth generating unit of 120 M.W. capacity at Bhakra Right Bank Power House,²⁵

(h) transmission lines,

(i) Balancing Reservoir;

(ii) Pong Dam Project (Unit II) comprising—

(a) Pong Dam and works appurtenant thereto,

(b) Outlet Works,³⁰

(c) Penstock Tunnels,

(d) Power plant with four generating units of 60 M.W. each;

(iii) such other works as are ancillary to the works aforesaid and are of common interest to more than one State;

(B) "Bhakra-Nangal Project" means—

5 (i) Bhakra Dam, Reservoir and works appurtenant thereto;

(ii) Nangal Dam and Nangal-Hydel Channel;

(iii) Bhakra Main Line and canal system;

10 (iv) Bhakra Left Bank Power House, Ganguwal Power House and Kotla Power House, switch-yards, sub-stations and transmission lines;

15 (v) Bhakra Right Bank Power House with four units of 120 M.W. each.

79. (1) The Central Government shall constitute a Board to be called the Bhakra Management Board for the administration, main-
tenance and operation of the following works, namely:—

Bhakra Management Board.

(a) Bhakra Dam and Reservoir and works appurtenant thereto;

(b) Nangal Dam and Nangal-Hydel Channel up to Kotla Power House;

20 (c) the irrigation headworks at Rupar, Harike and Feroze-pur;

(d) Bhakra Power Houses:

25 Provided that the administration, maintenance and operation by the said Board of the generating units of the Right Bank Power House as have not been commissioned shall commence as and when any such unit has been commissioned;

(e) Ganguwal and Kotla Power Houses;

(f) Sub-stations at Ganguwal, Ambala, Hissar and Delhi; and

30 (g) such other works as the Central Government may, by notification in the Official Gazette, specify. (2) The Bhakra Management Board shall consist of—

(a) a Chairman to be appointed by the Central Government;

(b) a representative each of the Governments of the States of Punjab, Haryana and Rajasthan and the Union territory of

Himachal Pradesh to be nominated by the respective Governments or Administrator, as the case may be;

(c) two representatives of the Central Government to be nominated by that Government.

(3) The functions of the Bhakra Management Board shall 5 include—

(a) the regulation of the supply of water from the Bhakra-Nangal Project to the States of Haryana, Punjab and Rajasthan having regard to—

(i) any agreement entered into or arrangement made 10 between the Governments of the existing State of Punjab and the State of Rajasthan, and

(ii) the agreement or the order referred to in sub-section (1) of section 78;

(b) the regulation of the supply of power generated at the 15 power houses referred to in sub-section (1) to any Electricity Board or other authority in charge of the distribution of power having regard to—

(i) any agreement entered into or arrangement made 20 between the Governments of the existing State of Punjab and the State of Rajasthan,

(ii) the agreement or the order referred to in sub-section (1) of section 78, and

(iii) any agreement entered into or arrangement made by 25 the existing State of Punjab or the Punjab Electricity Board or the State of Rajasthan or the Rajasthan Electricity Board with any other Electricity Board or authority in charge of distribution of power before the appointed day in relation to the supply of power generated at the power houses specified in sub-section (1); 30

(c) the construction of such of the remaining works connected with the Right Bank Power House as the Central Government may specify;

(d) such other functions as the Central Government may, 35 after consultation with the Governments of the States of Haryana, Punjab and Rajasthan, entrust to it.

(4) The Bhakra Management Board may employ such staff as it may consider necessary for the efficient discharge of its functions under this Act:

Provided that every person who immediately before the constitution of the said Board was engaged in the construction, maintenance or operation of the works in sub-section (1) shall continue to be so employed under the Board in connection with the said works on the 5 same terms and conditions of service as were applicable to him before such constitution until the Central Government by order directs otherwise;

Provided further that the said Board may at any time in consultation with State Government or the Electricity Board concerned and 10 with the previous approval of the Central Government return any such person for service under that Government or Board.

(5) The Governments of the successor States and of Rajasthan shall at all times provide the necessary funds to the Bhakra Management Board to meet all expenses (including the salaries and 15 allowances of the staff) required for the discharge of its functions and such amounts shall be apportioned among the successor States, the State of Rajasthan and Electricity Boards of the said States in such proportion as the Central Government may, having regard to the benefits to each of the said States or Boards, specify.

20 (6) The Bhakra Management Board shall be under the control of the Central Government and shall comply with such directions, as may from time to time, be given to it by that Government.

(7) The Bhakra Management Board may with the approval of the Central Government delegate such of its powers, functions and duties 25 as it may deem fit to the Chairman of the said Board or to any officer subordinate to the Board.

(8) The Central Government may, for the purpose of enabling the Bhakra Management Board to function effectively, issue such directions to the State Governments of Haryana, Punjab and Rajasthan 30 and the Administrator of the Union territory of Himachal Pradesh or any other authority, and the State Government, Administrator or authority shall comply with such directions.

(9) The Bhakra Management Board may, with the previous approval of the Central Government and by notification in the Official 35 Gazette, make regulations consistent with this Act and the rules made thereunder, to provide for—

(a) regulating the time and place of meetings of the Board and the procedure to be followed for the transaction of business at such meetings;

- (b) delegation of powers and duties to the Chairman or any officer of the Board;
- (c) the appointment, and the regulation of the conditions of service, of the officers and other staff of the Board;
- (d) any other matter for which regulations are considered necessary by the Board.

Construction of
Beas
Project.

80. (1) Notwithstanding anything contained in this Act or in any other law, the construction (including the completion of any work already commenced) of the Beas Project shall, on and from the appointed day, be undertaken by the Central Government on behalf of ¹⁰ the successor States and the State of Rajasthan:

Provided that the Governments of the successor States and the State of Rajasthan shall at all times provide the necessary funds to the Central Government for the expenditure on the Project [including the expenses of the Board referred to in sub-section (2)] ¹⁵ and such amounts shall be apportioned among the successor States and the State of Rajasthan in such proportion as may be fixed by the Central Government after consultation with the Governments of the said States.

(2) For the discharge of its functions under sub-section (1), the ²⁰ Central Government may—

(a) by notification in the Official Gazette and in consultation with the Governments of the successor States and the State of Rajasthan, constitute a Board to be called the Beas Construction Board with such members as it may deem fit and assign to the ²⁵ Board such functions as it may consider necessary; and

(b) issue such directions to the State Governments of Haryana, Punjab and Rajasthan and the Administrator of the Union territory of Himachal Pradesh or any other authority, and the State Governments, Administrator or other authority shall com- ³⁰ply with such directions.

(3) The notification constituting a Board under clause (a) of sub-section (2) may empower the Board to appoint such staff as may be necessary for the efficient discharge of its functions:

Provided that every person who immediately before the constitution of the Board was engaged in the construction of any work relating to the Beas Project shall continue to be so employed by the Board ³⁵ in connection with the said works on the same terms and conditions

of service as were applicable to him before such constitution until the Central Government by order directs otherwise:

Provided further that the Board may at any time in consultation with the State Government or the Electricity Board concerned and 5 with the previous approval of the Central Government return any such person for service under that Government or Board.

(4) Nothing contained in this section shall be construed as enabling the Central Government to reduce or enlarge the scope of the Beas Project as agreed to between the Governments of the State of 10 Rajasthan and the existing State of Punjab except after consultation with the Governments of the States of Haryana, Punjab and Rajasthan.

(5) Any component of the Beas Project in relation to which the construction has been completed after the appointed day may be 15 transferred by the Central Government to the Board constituted under section 79 whereupon the provisions of that section shall apply as if it were a work included in sub-section (1) of that section.

(6) The Bhakra Management Board constituted under section 79 shall be re-named as the Bhakra Beas Management Board when any 20 of the components of the Beas Project has been transferred under sub-section (5), and the Beas Construction Board shall cease to exist when all the components of the Beas Project have been so transferred.

PART IX

PROVISIONS AS TO SERVICES

25 81. (1) In this section, the expression "State cadre"—

Provi-
sions
relating
to All-
India
Services.

(a) in relation to the Indian Administrative Service, has the meaning assigned to it in the Indian Administrative Service (Cadre) Rules, 1954, and

30 (b) in relation to the Indian Police Service, has the meaning assigned to it in the Indian Police Service (Cadre) Rules, 1954.

(2) In place of the cadres of the Indian Administrative Service and the Indian Police Service for the existing State of Punjab, there shall, on and from the appointed day, be two separate cadres, one for the State of Punjab and the other for the State of Haryana, in respect 35 of each of these Services.

(3) The initial strength and composition of each of the State cadres for the States of Punjab and Haryana and the strength and composition of the Delhi-Himachal Pradesh States cadres shall be

such as the Central Government may, by order, determine before the appointed day.

(4) The members of each of the said Services borne on the State cadres for the existing State of Punjab immediately before the appointed day shall be allocated to the State cadres of the same Service for each of the States of Punjab and Haryana and to the Delhi-Himachal Pradesh State cadres in such manner and with effect from such date or dates as the Central Government may, by order, specify. 5

(5) Nothing in this section shall be deemed to affect the operation, on or after the appointed day, of the All-India Services Act, 1951, or 10 81 of 1951. the rules made thereunder in relation to the State cadres of the said Services referred to in sub-section (3) and in relation to the members of those Services borne on the said cadres.

Provision relating to other Services. 82. (1) Every person who immediately before the appointed day is serving in connection with the affairs of the existing State of 15 Punjab shall, on and from that day, provisionally continue to serve in connection with the affairs of the State of Punjab unless he is required, by general or special order of the Central Government, to serve provisionally in connection with the affairs of any other successor State. 20

(2) As soon as may be after the appointed day, the Central Government shall, by general or special order, determine the successor State to which every person referred to in sub-section (1) shall be finally allotted for service and the date with effect from which such allotment shall take effect or be deemed to have taken effect. 25

(3) Every person who is finally allotted under the provisions of sub-section (2) to a successor State shall, if he is not already serving therein, be made available for serving in the Successor State from such date as may be agreed upon between the Governments concerned or in default of such agreement, as may be determined by the 30 Central Government.

(4) The Central Government may, by order, establish one or more advisory committees for the purpose of assisting it in regard to—

(a) the division and integration of the services among the 35 successor States; and

(b) the ensuring of fair and equitable treatment to all persons affected by the provisions of this section and the proper consideration of any representations made by such persons.

(5) The foregoing provisions of this section shall not apply in relation to any person to whom the provisions of section 81 apply.

(6) Nothing in this section shall be deemed to affect on or after the appointed day the operation of the provisions of Chapter I of Part 5 XIV of the Constitution in relation to the determination of the conditions of service of persons serving in connection with the affairs of the Union or any State:

Provided that the conditions of service applicable immediately before the appointed day to the case of any person referred to in sub-section (1) or sub-section (2) shall not be varied to his disadvantage except with the previous approval of the Central Government.

83. Every person who immediately before the appointed day is holding or discharging the duties of any post or office in connection with the affairs of the existing State of Punjab in any area which on 15 that day falls within any of the successor States shall continue to hold the same post or office in that successor State and shall be deemed, on and from that day, to have been duly appointed to the post or office by the Government of, or other appropriate authority in, that successor State:

Provisions as to continuance of officers in the same posts.

20 **Provided that nothing in this section shall be deemed to prevent a competent authority on or after the appointed day from passing in relation to such person any order affecting his continuance in such post or office.**

84. The Central Government may give such directions to the State Governments of Punjab and Haryana and to the Administrators of the Union territories of Himachal Pradesh and Chandigarh as may appear to it to be necessary for the purpose of giving effect to the foregoing provisions of this Part and the State Governments and the Administrators shall comply with such directions.

Power of Central Government to give directions.

30 **85. (1) The Public Service Commission for the existing State of Punjab shall, on and from the appointed day, become the Public Service Commission for the State of Punjab.**

Provisions as to Punjab Public Service Commission.

35 **(2) The report of the Punjab Public Service Commission as to the work done by the Commission in respect of any period prior to the appointed day shall be presented under clause (2) of article 323 to the Governors of Punjab and Haryana, and the Governor of Punjab shall, on receipt of such report, cause a copy thereof together with a memorandum explaining as far as possible, as respects the cases, if any, where the advice of the Commission was not accepted the reasons 40 for such non-acceptance to be laid before the Legislature of the State**

of Punjab and it shall not be necessary to cause such report or any such memorandum to be laid before the Legislative Assembly of Haryana.

PART X

LEGAL AND MISCELLANEOUS PROVISIONS

5

Amend-
ment of
Act 37 of
1956.—

86. In clause (a) of section 15 of the States Reorganisation Act, 1956,—

(i) for the word "Punjab", the words "Haryana, Punjab" shall be substituted;

(ii) for the words "and Himachal Pradesh", the words ¹⁰ "Himachal Pradesh and Chandigarh" shall be substituted.

Power to
extend
enact-
ments to
Chandi-
garh.

87. The Central Government may, by notification in the Official Gazette, extend with such restrictions or modifications as it thinks fit, to the Union territory of Chandigarh any enactment which is in force in a State at the date of the notification.

15

Territo-
rial
extent of
laws.

88. The provisions of Part II shall not be deemed to have effected any change in the territories to which any law in force immediately before the appointed day extends or applies, and territorial references in any such law to the State of Punjab shall, until otherwise provided by a competent Legislature or other competent authority, be construed as meaning the territories within that State immediately before the appointed day.

Power to
adapt
laws.

89. For the purpose of facilitating the application in relation to the State of Punjab or Haryana or to the Union territory of Himachal Pradesh or Chandigarh of any law made before the appointed day, ²⁵ the appropriate Government may, before the expiration of two years from that day, by order, make such adaptations and modifications of the law, whether by way of repeal or amendment, as may be necessary or expedient, and thereupon every such law shall have effect subject to the adaptations and modifications so made until altered, ³⁰ repealed or amended by a competent Legislature or other competent authority.

Explanation.— In this section, the expression "appropriate Government" means—

(a) as respects any law relating to a matter enumerated in ³⁵ the Union List, the Central Government; and

(b) as respects any other law,—

(i) in its application to a State, the State Government, and

5 (ii) in its application to a Union territory, the Central Government.

90. Notwithstanding that no provision or insufficient provision has been made under section 89 for the adaptation of a law made before the appointed day, any court, tribunal or authority, required or empowered to enforce such law may, for the purpose of facilitating its application in relation to the State of Punjab or Haryana, or to the Union territory of Himachal Pradesh or Chandigarh construe the law in such manner, without affecting the substance, as may be necessary or proper in regard to the matter before the court, tribunal or authority.

Power to construe laws.

15 91. The Central Government, as respects the Union territory of Chandigarh or the transferred territory, and the Government of the State of Haryana as respects the territories thereof may, by notification in the Official Gazette, specify the authority, officer or person who, on and from the appointed day, shall be competent to exercise 20 such functions exercisable under any law in force on that day as may be mentioned in that notification and such law shall have effect accordingly.

Power to name authorities etc., for exercising statutory functions.

92. Where, immediately before the appointed day, the existing State of Punjab is a party to any legal proceedings with respect to 25 any property, rights or liabilities subject to apportionment under this Act, the successor State which succeeds to, or acquires a share in, that property or those rights or liabilities by virtue of any provision of this Act shall be deemed to be substituted for the existing State of Punjab or added as a party to those proceedings, and the proceedings 30 may continue accordingly.

Legal proceedings.

93. (1) Every proceeding pending immediately before the appointed day before a court (other than a High Court), tribunal, authority or officer in any area which on that day falls within a State or Union territory shall, if it is a proceeding relating exclusively to the 35 territories which as from that day are the territories of another State or Union territory, stand transferred to the corresponding court, tribunal, authority or officer in that other State or Union territory, as the case may be.

Transfer of pending proceedings.

(2) If any question arises as to whether any proceeding should 40 stand transferred under sub-section (1), it shall be referred to the

High Court having jurisdiction in respect of the area in which the court, tribunal, authority or officer before which or whom such proceeding is pending on the appointed day, is functioning, and the decision of that High Court shall be final.

(3) In this section—
 (a) “proceeding” includes any suit, case or appeal; and
 (b) “corresponding court, tribunal, authority or officer” in a State or a Union territory means—
 (i) the court, tribunal, authority or officer in that State or Union territory in which or before whom, the proceeding would have lain if it had been instituted after the appointed day; or
 (ii) in case of doubt, such court, tribunal, authority or officer in that State or Union territory, as may be determined after the appointed day by the Government of that State or 15 the Central Government, as the case may be, or before the appointed day by the Government of the existing State of Punjab, to be the corresponding court, tribunal authority or officer.

Right of
pleaders
to practise
in certain
cases.

94. Any person who, immediately before the appointed day, is 20 enrolled as a pleader entitled to practise in any subordinate courts in the existing State of Punjab shall, for a period of one year from that day, continue to be entitled to practise in those courts, notwithstanding that the whole or any part of the territories within the jurisdiction of those courts has been transferred to the State of Haryana 25 or to a Union territory.

Effect of
provisions
of the Act
inconsis-
tent with
other
laws.

95. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law.

Power to
remove
difficulties.

96. If any difficulty arises in giving effect to the provisions of this Act, the President may, by order, do anything not inconsistent with 30 such provisions which appears to him to be necessary or expedient for the purpose of removing the difficulty.

Power to
make
rules.

97. (1) The Central Government may, by notification in the Official Gazette, make rules to give effect to the provisions of this Act.
 (2) In particular, and without prejudice to the generality of 35 the foregoing power, such rules may provide for all or any of the

following matters, namely:—

5 (a) the procedure to be followed by the Bhakra Management Board and the Beas Construction Board for the conduct of business and for the proper functioning of the Boards and the manner of filling casual vacancies among the members of the said Boards;

10 (b) the salary and allowances to be paid to the Chairman of the Bhakra Management Board;

15 (c) the salaries and allowances and other conditions of service of the members of the staff of the Bhakra Management Board or the Beas Construction Board;

20 (d) the maintenance of records of all business transacted at the meetings of the Bhakra Management Board or the Beas Construction Board and the submission of copies of such records to the Central Government;

25 (e) the conditions subject to which, and the mode in which, contracts may be made on behalf of the successor States and the State of Rajasthan in relation to the functions of the Bhakra Management Board or the Beas Construction Board;

(f) the preparation of the budget estimates of the receipts and expenditure of the said Boards and the authority by which such estimates shall be approved;

25 (g) the conditions subject to which the said Boards may incur expenditure or re-appropriate funds from any budget head to another such head;

(h) the preparation and submission of annual reports;

(i) the maintenance of accounts of the expenditure incurred by the said Boards;

(j) any other matter which is to be, or may be, prescribed.

30 (3) Every rule made under this section shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however that any such modification or annulment shall be without prejudice to the validity of

35 40 anything previously done under that rule.

THE FIRST SCHEDULE

[See section 3(1) (e)]

TERRITORIES TRANSFERRED FROM MANIMAJRA KANUNGO CIRCLE OF KHARAR
 TAHISIL OF AMBALA DISTRICT IN THE EXISTING STATE OF PUNJAB TO
 THE NEW STATE OF HARYANA

5

1. The following patwar circles:—

Name of patwar circle	Patwar circle No.
Bhareli	63
Batawar	64
Barwala	65
Majri	81
Kalka	83

2. So much of the territories of the following patwar circles as have not been transferred to form the Union territory of Chandigarh under section 4:—

15

Name of patwar circle	Patwar circle No.
Manimajra	79
Mauli	80
Chandimander	82

THE SECOND SCHEDULE

[See section 4]

TERRITORIES TRANSFERRED FROM THE EXISTING STATE OF PUNJAB TO FORM
THE UNION TERRITORY OF CHANDIGARH

5 1. The following patwar circles of Manimajra kanungo circle of Kharar tahsil of Ambala district:—

	Name of patwar circle	Patwar circle No.
	Dhanas	73
	Kalibar	74
10	Kailer	75
	Dadu Majra	76
	Kanthala	77
	Haloo Majra	78

15 2. The following villages of Manimajra kanungo circle of Kharar tahsil of Ambala district:—

	Name of village	Habdast No.	No. and name of patwar circle in which village is included
	I	2	3
20	Lahora	348	70 Lahora
	Sarangpur	347	71 Sarangpur
	Khuda Alisher	353	72 Kansal
	Daria	374	79 Manimajra
	Manimajra	375	79 Manimajra
25	Mauli Jagran	373	80 Mauli
	Bara Raipur	371	
	Chota Raipur	232	

3. The following portions, the extent whereof is specified in column 3 of the Table below, of the village specified in corresponding entry in column 1 below of Manimajra kanungo circle of Kharar tahsil of Ambala district, acquired by the Government of the existing State of Punjab by their notifications referred to in the 5 corresponding entry in column 4 of the said Table:—

TABLE

Name of village	Hadbast No.	Area acquired (in acres)	Punjab Government notification under which acquired	10
1	2	3	4	
Suketri	376	77.74	C-11544-55/VI-1003, dated the 12th November, 1955. C-11544/55/VI/1008, 15 dated the 12th, November, 1955.	
Karoran	352	214.59	C-2707-51/1232, dated the 22nd/23rd May, 1951. C-1058-53/1111, dated the 26th, Feb- ruary, 1953. C-539-52/351, dated the 29th January, 25 1952. C-31441/53/2106, dated the 15th April, 1953. C-2352-W-64/I/6710, 30 dated the 14th March, 1964.	20 25 25 30
Kansil	354	199.78	C-542-52/399, dated the 1st February, 1952. C-1152-52/734, dated the 15th February, 1952.	35

4. The following villages of Manuali kanungo circle of Kharar tahsil of Ambala district:—

5	Name of village	Hadbast No.	No. and name of patwar circle in which village is included
	I	2	3
Behlana	231	1	Bhabat
Chuharpur	233		
Bair Majra	224	2	Dharamgarh
10 Nizampur Kumbra	197	14	Kumbra
Budheri	12		
Kujheri	198	15	Kujheri
Attawa	199		
Palsora	11	16	Mataur
15 Maloya	13	20	Maloya
Salahpur	201		
Burail	222		
Nizampur Burail	259	22	Burail
Jhumro	260		

20

THE THIRD SCHEDULE

[See section 5(1)]

TERRITORIES REFERRED TO IN CLAUSES (d), (e) AND (f) OF SUB-SECTION (1) OF SECTION 5 TRANSFERRED FROM THE EXISTING STATE OF PUNJAB TO THE UNION TERRITORY OF HIMACHAL PRADESH

25

PART I

1. The following patwar circles of Santokhgarh kanungo circle of Una tahsil of Hoshiarpur district:—

Name of patwar circle	Patwar circle No.
Palkwah	60
39 Pubowal	62
Polian	63
Dulehar	64
Bietan	65
Kungrat	66
35 Nangal Kalan	67
Nangran	68
Bathu	74

2. The following villages of Santokhgarh kanungo circle of Una tahsil of Hoshiarpur district:—

Name of village	Hadbast No.	No. and name of patwar circle in which village is included	5
I	2	3	
Fattewal	460	61 Jakhera	
Bangarh	461		
Charatgarh	225	72 Charatgarh	10
Khanpur	226		
Chhatharpur	227		
Jatpur	245		
Takhatpur	247	73 Santokhgarh	
Santokhgarh	246		15
Bathri	476	75 Bathri	

3. The following villages of Santokhgarh kanungo circle of Una tahsil of Hoshiarpur district except portions of those villages as have been included in the local area comprising Naya Nangal which has been declared to be a notified area for the purposes of the Punjab 20 Municipal Act, 1911, by the notification of the Government of Punjab No. 2225-C1 (3C1)-61-9484, dated the 21st March, 1961:—

Name of village	Hadbast No.	No. and name of patwar circle in which village is included	25
I	2	3	
Jakhera	229	61 Jakhera	
Malikpur	242		
Binewal	243	69 Kanchehra	
Majara	248		
Mehatpur	230	70 Bhabhaur	30
Bhatoli	231		
Basdehra	228		
Ajauli	237	71 Basdehra	
Puna	244		
Raipur	218	72 Charatgarh	35
Sanoli	249	77 Sanoli	

PART II

4. Village Kosar forming part of Una tahsil of Hoshiarpur district.

PART III

5. The following villages of Dhar Kalan kanungo circle of Pathankot tahsil of Gurdaspur district:—

Name of village	Hadbast No.
Bakloh	421
Balun	422
10 Dalhousie	423

THE FOURTH SCHEDULE

(See section 10)

1. Of the three sitting members whose term of office will expire on the 2nd April, 1968, Shri Abdul Ghani and Shri Chaman Lal shall be deemed to have been elected to fill two of the seats allotted to the State of Haryana, and Shri Surjit Singh shall be deemed to have been elected to fill one of the seats allotted to the State of Punjab.

2. Of the four sitting members whose term of office will expire on the 2nd April, 1970, namely, Shri Anup Singh, Shri Jagat Narain, Shrimati Mohinder Kaur and Shri Uttam Singh Duggal, such one as the Chairman of the Council of States may determine by drawing lot, shall be deemed to have been elected to fill one of the seats allotted to the State of Haryana, and the other three sitting members shall be deemed to have been elected to fill three of the seats allotted to the State of Punjab.

3. Of the four sitting members whose term of office will expire on the 2nd April, 1972, Shri Nekl Ram shall be deemed to have been elected to fill one of the seats allotted to the State of Haryana; Shri

Narinder Singh and Shri Raghubir Singh shall be deemed to have been elected to fill two of the seats allotted to the State of Punjab; and Shri Salig Ram shall be deemed to have been elected to fill one of the seats allotted to the Union territory of Himachal Pradesh.

THE FIFTH SCHEDULE

5

(See section 14)

I. AMENDMENT OF PART B OF SCHEDULE XI TO THE DELIMITATION OF PARLIAMENTARY AND ASSEMBLY CONSTITUENCIES ORDER, 1961

1. Below the heading "B-Assembly Constituencies", insert the sub-heading "I-HARYANA". 10
2. Delete the heading "Lahaul and Spiti, Kulu and Kangra Districts Area" and entries 1 to 13.
3. For entry 14, substitute the following, namely:—
 "14. Naraingarh Naraingarh tahsil (excluding Sadhaura, Haveli and Gadauli 15 zails and Sadhaura M.C. in Sadhaura thana).".
4. Delete the heading "SIMLA DISTRICT" and entry 20.
5. Before entry 21, for the heading "KARNAL DISTRICT AREA", substitute the heading "KARNAL AND JIND DISTRICTS". 20
6. In entry 26, for the word "Sangrur", substitute the word "Jind".
7. After entry 68, insert the sub-heading "II-PUNJAB".
8. In entry 129, for the words "and Dalhousie thana", substitute the words and brackets "and zail Tarhari (Part) in Dalhousie thana". 25
9. After entry 130, for the heading "HOSHIARPUR DISTRICT AREA", substitute "HOSHIARPUR AND RUPAR DISTRICTS".
10. Delete entries 136 and 137 and re-number entries 138 and 139 as 136 and 137, respectively.

11. For entry 140, substitute the following:—

5 138. Anandpur Nangal tahsil in Rupar District; and Rattewal zail in Balachaur thana in Garhshankar tahsil in Hoshiarpur District.

139. Rupar Rupar thana in Rupar tahsil; and Khizrabad, Sialba and Tira zails in Kharar thana in Kharar tahsil.

10 140. Morinda (SC) Morinda and Chamkaur thanas in Rupar tahsil; and Kurali town and Kurali zail in Kharar thana in Kharar tahsil.

15 140A. Kharar Kharar tahsil (excluding Khizrabad, Sialba, Tira and Kurali zails and Kurali tow in Kharar thana).".

12. In the Appendix, omit the entries relating to Ambala district.

13. Insert the following Note at the end of this Part, namely:—

20 "NOTE.—Any reference in entries 14, 26, 138 and 140A of this Part to a district, tahsil, kanungo circle, patwar circle or other territorial division shall be taken to mean the area comprised within that district, tahsil, kanungo circle, patwar circle or other territorial division on the 1st day of November, 1966, including all municipal towns and forest villages lying within the periphery.".

25

II. AMENDMENT OF THE SCHEDULE TO THE DELIMITATION OF TERRITORIAL COUNCIL CONSTITUENCIES (HIMACHAL PRADESH) ORDER, 1962

1. In paragraph 5, for the words "shall be taken", substitute 30 "shall, save as otherwise expressly provided, be taken".

2. After entry 41, add the following, namely:—

"LAHAUL AND SPITI, KULU AND KANGRA DISTRICTS

42. Kulu Lahaul and Spiti district and Kulu thana (excluding Kanawar, Harkandhi, Chung, Kot Kandhi, Bhallan and Sainsar zails) in Kulu tahsil of Kulu district; and Bir Bhangal zail in Palampur thana in Palampur tahsil of Kangra district.

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40

43. Seraj (SC) Seraj thana and Kanawar, Har-kandhi, Chung, Kot Kandhi, Bhallan and Sainsar zails in Kulu thana in Kulu tahsil of Kulu district. 5

44. Palampur Palampur thana (excluding Naura and Bir Bhangal zails) in Palampur tahsil.

45. Kangra Kangra tahsil (excluding Dharamsala thana, Shahpur part-thana and Narwana, Chetru, Tayara and Ramgarh part-zails in Kangra thana); Changar zail in Dera Gopipur tahsil; Sujanpur part-thana and 15 Naura zail in Palampur thana in Palampur tahsil. 10

46. Dharamsala Dharamsala thana, Shahpur part-thana and Narwana, Chetru, Tayara and Ramgarh 20 part-zails in Kangra thana in Kangra tahsil.

47. Nurpur Nurpur tahsil; and Dhameta and Nagrota zails in Dera Gopipur tahsil. 25

48. Dera Gopipur Dera Gopipur tahsil (excluding Dhameta, Nagrota and Changar zails).

49. Hamirpur (SC) Sujanpur, Rajgir, Ugialta, Mewa and Mehlta zails in 30 Hamirpur tahsil.

50. Barsar Hamirpur tahsil (excluding Sujanpur, Rajgir, Ugialta, Mewa and Mehlta zails).

51. Amb Amb thana and Pandoga and 35 Basal zails and Khad part-zail in Una thana in Una tahsil.

52. Una Una tahsil (excluding Amb thana and Pandoga and Basal 40 zails and Khad part-zail in Una thana) in Kangra district

SIMLA DISTRICT

53. Simla Simla district (excluding Nalagarh tahsil).
 54. Nalagarh Nalagarh tahsil in Simla District.”.

3. Insert the following Note at the end of the Schedule, namely:—

“NOTE.—Any reference in entries 3, 4, 42, 43, 50, 53 and 54 of this Schedule to a district, tahsil, kanungo circle, patwar circle or other territorial division shall be taken to mean the area comprised within that district, tahsil, kanungo circle, patwar circle or other territorial division on the 1st day of November, 1966, including all municipal areas, notified areas, small town areas and forest villages lying within the periphery.”.

THE SIXTH SCHEDULE

(See section 21)

MODIFICATIONS IN THE DELIMITATION OF COUNCIL CONSTITUENCIES
 (PUNJAB) ORDER, 1951

20 In the Table appended to the said Order—

(1) in the entries under the sub-heading “*Graduates’ Constituencies*”—

(i) in column 2 against the entry “Punjab North Graduates”, for the existing entry, substitute the following, namely:—

25 “Amritsar, Gurdaspur and Hoshiarpur Districts”;

(ii) for the existing entries 2 and 3, substitute the following, namely:—

“2. Punjab Central Graduates .. Ferozepur, Kapurthala and Jullundur Districts 1

30 3. Punjab South Graduates .. Ludhiana, Rupar, Patiala, Sangrur and Bhatinda Districts. 1”; and

(iii) omit entry 4;

(2) in the entries under the sub-heading "Teachers' Constituencies"—

(i) in column 2, against the entry "Punjab North Teachers", for the existing entry, substitute the following, namely:— 5

"Amritsar, Gurdaspur and Hoshiarpur Districts";

(ii) for the existing entries 2 to 4, substitute the following, namely:—

"2. Punjab Central Teachers Ferozepur, Kapurthala and Jullundur Districts. 1 10

3. Punjab South Teachers . Ludhiana, Rupar, Patiala, Sangrur and Bhatinda Districts I";

(3) under the sub-heading "Local Authorities' Constituencies"— 15

(i) omit entries 3 and 11 to 15;

(ii) for entry 10, substitute the following, namely:—

"10. Patiala-cum-Rupar Local Patiala and Rupar Authorities Districts 2"; and

(iii) in column 3, against entries 5, 6 and 9, relating to 20 Jullundur Local Authorities, Ferozpur Local Authorities and Ludhiana Local Authorities, for the existing figure "1", substitute the figure "2";

(4) in paragraph 3 of the Order, for the word and figures "April, 1965", substitute the word and figures "November, 1966". 25

THE SEVENTH SCHEDULE

(See sections 16 and 22)

LIST OF MEMBERS OF THE LEGISLATIVE COUNCIL OF PUNJAB WHO SHALL CASES TO BE SUCH MEMBERS ON THE 1ST DAY OF NOVEMBER,

1966

30

PART A

1. Shri Chander Bhan

2. Shri Amir Singh

5

3. Shri S. L. Chopra
4. Shri Shri Chand Goyal
5. Shrimati Lekhwati Jain
6. Shri Om Prakash
7. Shri Premsukh Das
8. Shri Birender Singh

PART B

10

1. Shri Sher Singh
2. Shri Dharam Singh
3. Shri Nasib Singh
4. Shri Sultan Singh
5. Shrimati Lajja
6. Shri Beli Ram
7. Shri Siri Chand
- 15 8. Shrimati Savita Behan

THE EIGHTH SCHEDULE

[See section 27(1)]

AMENDMENT OF THE CONSTITUTION (SCHEDULED CASTES) ORDER, 1950

(1) For paragraph 4, substitute—

20

“4. Any reference in this Order, except in Parts IV, IVA, VIIA and X of the Schedule, to a State or to a district or other territorial division thereof, shall be construed as a reference to the State, district or other territorial division, constituted as from the first day of November, 1956; any reference in Parts IV and VIIA of the Schedule to a State or to a district or other territorial division thereof shall be construed as a reference to the State, district or other territorial division constituted as from the first day of May, 1960; and any reference in Parts IVA and X of the Schedule to a State or to a district or other territorial division thereof shall be construed as a reference to the State,

30

district or other territorial division constituted as from the first day of November, 1966.”.

(2) After Part IV, the following Part shall be inserted, namely:—

“PART IVA.—*Haryana*

5

1. Throughout the State:—

1. Ad Dharmi
2. Bangali
3. Barar, Burar or Berar
4. Batwal
5. Bauria or Bawaria
6. Bazigar
7. Balmiki, Chura or Bhangi
8. Bhanjra
9. Chamar, Jatia Chamar, Rehgar, Raigar, Ramdasi or Rayidas¹⁵
10. Chanal
11. Dagi
12. Dhanak
13. Dumna, Mahasha or Doom
14. Gagra
15. Gandhila or Gandil Gondola
16. Kabirpanthi or Julaha
17. Khatik
18. Kori or Koli
19. Marija or Merecha
20. Mazhabi
21. Megh
22. Nat
23. Od
24. Past

10

20

25

30

25. Perna

26. Pherera

27. Sanhai

28. Sanhal

5 29. Sansi, Bhedkut or Manesh

30. Sapela

31. Sarera

32. Sikligar

33. Sirkiband.

10 2. Throughout the State except in the Mahendragarh and Jind districts:—

1. Darain
2. Dhogri, Dhangri or Siggī
3. Sansoi.

15 3. In the Mahendragarh and Jind districts:—
Deha, Dhaya or Dhea.”.

(3) In Part X, omit the word “Mohindergarh” occurring in paragraphs 2 and 3 thereof.

THE NINTH SCHEDULE

20 [See section 27(2)]

AMENDMENT OF THE CONSTITUTION (SCHEDULED CASTES) (UNION TERRITORIES) ORDER, 1951

(1) For paragraph 4, substitute:—

“4. Any reference in this Order, except in Parts II and V of the Schedule, to a Union territory shall be construed as a reference to the territory constituted as a Union territory as from

the 1st day of November, 1956; and any reference to a Union territory in Parts II and V of the Schedule shall be construed as a reference to that territory as existing on the 1st day of November, 1966.”.

(2) In Part II of the Schedule—

5

(a) for the words “Throughout the Union territory”, the figures, words and brackets “1. Throughout the Union territory except the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966” shall be substituted;

(b) the following shall be added at the end:—

10

“2. In the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966:—

1. Ad Dharmi	
2. Bangali	
3. Barar, Burar or Berar	15
4. Batwal	
5. Bauria or Bawaria	
6. Baxigar	
7. Balmiki, Chura or Bhangi	
8. Bhanjra	20
9. Chamar, Jatia Chamar, Rehgar, Raigar, Ramdasi or Ravidasi	
10. Chanel	
11. Degi	
12. Darain	25
13. Dhanak	
14. Dhogri, Dhangri or Siggi	
15. Dumna, Mahasha or Doom	
16. Gagra	
17. Gandhila or Gandil Gondoli	30
18. Kabirpanthi or Julaha	

- 19. Khatik
- 20. Kori or Koli
- 21. Marija or Marecha
- 22. Mazhabi
- 5 23. Megh
- 24. Nat
- 25. Od
- 26. Pasi
- 27. Perna
- 10 28. Pherera
- 29. Sanhai
- 30. Sanhal
- 31. Sansoi
- 32. Sansi, Bhedkut or Manesh
- 15 33. Sapela
- 34. Sarera
- 35. Sikligar
- 36. Sirkiband.”.

(3) After Part IV, the following Part shall be inserted:—

o “PART V.—*Chandigarh*

- 1. Ad Dharmi
- 2. Bangali
- 3. Barar, Burar or Berar
- 4. Batwal
- 25 5. Bauria or Bawaria
- 6. Bazigar
- 7. Balmiki, Chura or Bhangi
- 8. Bhanjra

9. Chamar, Jatia Chamar, Rehgar, Raigar, Ramdasi or Ravidasi	
10. Chanal	
11. Dagi	
12. Darain	5
13. Dhanak	
14. Dhogri, Dhangri or Siggi	
15. Dumna, Mahasha or Doom	
16. Gagra	
17. Gandhila or Gandil Gondola	10
18. Kabirpanthi or Julaha	
19. Khatik	
20. Kori or Koli	
21. Marija or Marecha	
22. Mazhabi	15
23. Megh	
24. Nat	
25. Od	
26. Pasi	
27. Perna	20
28. Pherera	
29. Sanhai	
30. Sanhal	
31. Sansoi	
32. Sansi, Bhedkut or Manesh	25
33. Sapela	
34. Sarera	
35. Sikligar	
36. Sirkiband.”.	

THE TENTH SCHEDULE

[See section 28(1)]

AMENDMENT OF THE CONSTITUTION (SCHEDULED TRIBES) ORDER, 1950

Part X shall be omitted.

5

THE ELEVENTH SCHEDULE

[See section 28(2)]

AMENDMENT OF THE CONSTITUTION (SCHEDULED TRIBES) (UNION TERRITORIES) ORDER, 1951

(1) For paragraph 3, substitute—

10 "3. Any reference in this Order, except in Part I of the Schedule, to a Union territory shall be construed as a reference to the territory constituted as a Union territory as from the 1st day of November, 1956; and any reference to a Union territory in Part I of the Schedule shall be construed as a reference to that territory constituted as a Union territory as existing on the 1st day of November, 1966."

(2) In Part I of the Schedule—

20 (a) for the words "Throughout the Union territory", the figures, words and brackets "1. Throughout the Union territory except the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966" shall be substituted; and

(b) the following shall be added at the end:—

25 "2. In Lahaul and Spiti district:—

1. Gaddi
2. Swangla
3. Bhot or Bodh."

THE TWELFTH SCHEDULE

(See section 46)

I. AMENDMENTS TO THE CONSTITUTION (DISTRIBUTION OF REVENUES)
ORDER, 1965

The following provisos shall be inserted immediately below the Table in sub-paragraph (2) of paragraph 3 of the Order, namely:—

“Provided that the share of taxes on income payable to the State of Punjab as it existed immediately before the 1st day of November, 1966, shall be construed, as from that date, as payable to the State of Haryana and the State of Punjab and the Union in the proportion of 37·38 : 54·84 : 7·78 :

Provided further that the share allocable to the Union shall be retained by it and shall be deemed to form part of the Consolidated Fund of India.”.

II. AMENDMENTS TO THE UNION DUTIES OF EXCISE (DISTRIBUTION)
ACT, 1962

The following provisos shall be inserted immediately after the Table in section 3 of the Act, namely:—

“Provided that the share of the distributable Union duties of excise payable to the State of Punjab as it existed immediately before the 1st day of November, 1966, shall be construed, as from that date, as payable to the State of Haryana and the State of Punjab and the Union in the proportion of 37·38 : 54·84 : 7·78 :

Provided further that the share allocable to the Union shall be retained by it and shall not be withdrawn from the Consolidated Fund of India.”.

III. AMENDMENTS TO THE ADDITIONAL DUTIES OF EXCISE (GOODS OF
SPECIAL IMPORTANCE) ACT, 1957

The following provisos shall be inserted at the end of the Table in paragraph 2 of the Second Schedule to the Act, namely:—

“Provided that the share of the additional duties of excise payable to the State of Punjab as it existed immediately before the 1st day of November, 1966, shall be construed, as from that

date, as payable to the State of Haryana and the State of Punjab and the Union in the proportion of 37·38 : 54·84 : 7·78 :

Provided further that the share allocable to the Union shall be retained by it and shall not be withdrawn from the Consolidated Fund of India.”.

IV. AMENDMENTS TO THE ESTATE DUTY (DISTRIBUTION) ACT, 1962

The following provisos shall be inserted at the end of clause (b) of sub-section (2) of section 3 of the Act, namely:—

“Provided that the share payable under clause (b) to the State of Punjab, as it existed immediately before the 1st day of November, 1966, shall be construed, as from that date, as payable to the State of Haryana and the State of Punjab and the Union in the proportion of 37·38 : 54·84 : 7·78 :

Provided further that the share allocable to the Union shall be retained by it and shall be deemed to form part of the Consolidated Fund of India.”.

THE THIRTEENTH SCHEDULE

(See section 48)

(1) Lands acquired for the sewerage scheme of Chandigarh:—

Sl. No.	Name of village	Hadbast No.	Area in acres	Punjab Government notification under which acquired
1	2	3	4	5
1	Jagatpura . .	261	4·58	C-3097-W-60/X/ 4564, dated 11th May, 1960.
2	Kambali . .	225	4·18	C-47-(1)-W-1/7649, dated 14th March, 1966.

I	2	3	4
3 Taraf Kumbra . . .	5	6.07	
4 Kumbra . . .	6	5.38	
5 Kumbala . . .	226	20.28	
			C-2985-W-62/I/ 13254, dated 10th May, 1962.
6 Chilla . . .	3	5.62	C-6718-W-63/I/ 60761, dated 11th March, 1964.
7 Papri . . .	269	5.21	
8 Manauli . . .	270	4.28	
9 Chacho Majra . . .	268	8.52	
10 Matran . . .	267	2.78	10430-W-4-62/34079, dated 6/8th Nov- ember, 1962.
11 Bakarpur . . .	264	3.68	
TOTAL .		70.58	

(2) Lands acquired for soil conservation measures in the catchment area of Sukhna Lake:—

Sl. No.	Name of village	Habdast No.	Area in acres	Punjab Government notification under which acquired
I	2	3	4	5
1 Sukettri . . .	376	2452.07		517-Ft.IV/(63)/474, dated 13th Feb- ruary, 1963.
2 Manakpur (Khol- Gama).	104	346.45		1789-Ft.-IV/63/898, dated 15th March, 1963.
3 Kuranwala . . .	105	461.00		
4 Dhamala . . .	122	198.94		
5 Dara Khurani . . .	390	557.82		
6 Kansil . . .	354	2155.81		
TOTAL .		6172.09		

(3) Lands acquired for the setting up of brick kilns of the Chandigarh Capital Project:—

S. No.	Name of village	Habbast No.	Area in acres	Punjab Government notifica- tion under which acquired
1	2	3	4	5
1.	Judian . . .	379	68.93	C-73-52/58, dated 8th January, 1952. C-504-56/VI/526, dated 21st January, 1956. C-1650-W-60/X/37469, dated 5th September, 1960.

THE FOURTEENTH SCHEDULE

(See section 58)

APPORTIONMENT OF LIABILITY IN RESPECT OF PENSIONS

1. Subject to the adjustments mentioned in paragraph 3, each of the successor States shall, in respect of pensions granted before the appointed day by the existing State of Punjab, pay the pensions drawn in its treasuries.

2. Subject to the said adjustments, the liability in respect of pensions of officers serving in connection with the affairs of the existing State of Punjab who retire or proceed on leave preparatory to retirement before the appointed day, but whose claims for pensions are outstanding immediately before that day, shall be the liability of the State of Punjab.

3. There shall be computed, in respect of the period commencing on the appointed day and ending on the 31st day of March, 1967, and in respect of each subsequent financial year, the total payments made in all the successor States in respect of the pensions referred to in paragraphs 1 and 2. That total representing the liability of the

existing State of Punjab in respect of pensions shall be apportioned between the successor States in the population ratio and any successor State paying more than its due share shall be reimbursed the excess amount by the successor State or States paying less.

4. The liability of the existing State of Punjab in respect of pensions granted before the appointed day and drawn in any area outside the territories of the existing State shall be the liability of the State of Punjab subject to adjustments to be made in accordance with paragraph 3 as if such pensions had been drawn in any treasury in the State of Punjab under paragraph 1.

5. (1) The liability in respect of the pension of any officer serving immediately before the appointed day in connection with the affairs of the existing State of Punjab and retiring on or after that day, shall be that of the successor State granting the pension; but the portion of the pension attributable to the service of any such officer before the appointed day in connection with the affairs of the existing State of Punjab shall be allocated between the successor States in the population ratio, and the Government granting the pension shall be entitled to receive from each of the other successor States its share of this liability.

(2) If any such officer was serving after the appointed day in connection with the affairs of more than one successor State, the successor State or States other than the one granting the pension shall reimburse to the Government by which the pension is granted an amount which bears to the portion of the pension attributable to his service after the appointed day the same ratio as the period of his qualifying service after the appointed day under the reimbursing State bears to the total qualifying service of such officer after the appointed day reckoned for the purposes of pension.

6. Any reference in this Schedule to a pension shall be construed as including a reference to the commuted value of the pension.

THE FIFTEENTH SCHEDULE

(See section 70)

1. The Punjab State Co-operative Bank Ltd., Chandigarh.

2. The Punjab State Co-operative Land Mortgage Bank Ltd., Chandigarh.
3. The Punjab State Co-operative Supply and Marketing Federation Ltd., Chandigarh.
- 5 4. The Punjab Co-operative Union Ltd., Chandigarh.
- 5 5. The Punjab State Co-operative Labour and Construction Federation Ltd., Chandigarh.
- 6 6. The Punjab State Handloom Weavers Apex Co-operative Society Ltd., Chandigarh.
- 10 7. The Punjab State Co-operative Sugar Mills Federation Ltd., Chandigarh.
8. The Punjab State Federation of Consumers Co-operative Wholesale Stores Ltd., Chandigarh.
- 15 9. The Punjab State Co-operative Industrial Federation Ltd., Chandigarh.
- 10 10. The Rupar Central Co-operative Bank Ltd., Rupar.
11. The Ambala Central Co-operative Bank Ltd., Ambala City.
12. The Hoshiarpur Central Co-operative Bank Ltd., Hoshiarpur.
13. The Sangrur Central Co-operative Bank Ltd., Sangrur.
- 20 14. The Gurdaspur Central Co-operative Bank Ltd., Gurdaspur.
15. The Jogindra Central Co-operative Bank Ltd., Nalagarh.
16. The Hoshiarpur Primary Land Mortgage Bank Ltd., Hoshiarpur.
- 25 17. The Gurdaspur Primary Land Mortgage Bank Ltd., Gurdaspur.
18. The Sunam Primary Land Mortgage Bank Ltd., Sunam (Sangrur).
19. The Primary Co-operative Land Mortgage Bank Ltd., Chandigarh.
- 30 20. The Rupar Sub-Division Wholesale Co-operative Supply and Marketing Society Ltd., Rupar (Ambala).
21. The Hoshiarpur District Wholesale Co-operative Supply and Marketing Society Ltd., Hoshiarpur.

22. The Gurdaspur District Wholesale Co-operative Supply and Marketing Society Ltd., Gurdaspur.

23. The Sangrur District Wholesale Co-operative Supply and Marketing Society Ltd., Sangrur.

24. The Ambala Co-operative Labour and Construction Union 5 Ltd., Ambala City.

25. The Gurdaspur Co-operative Labour and Construction Union Ltd., Gurdaspur.

THE SIXTEENTH SCHEDULE

(See section 77)

10

LIST OF INSTITUTIONS WHERE EXISTING FACILITIES SHOULD BE CONTINUED

1. Land Reclamation, Irrigation and Power Research Institute, Amritsar.

2. Hydraulic Research Institute, Malakpur.

3. Police Training School, Phillaur. 15

4. Finger Print Bureau, Phillaur.

5. Recruits Training Centre, Jahan Khelan.

6. Constables Advance Training Centre, Ambala.

7. Wireless Training Centre, Chandigarh.

8. Forensic Science Laboratory, Chandigarh. 20

9. Gram Sewak Training Centre, Nabha.

10. Gram Sewak Training Centre, Batala.

11. Panchayats Secretaries Training Centre, Rai, District Rohtak.

12. Dental College, Amritsar.

13. Ayurvedic College, Patiala. 25

14. Punjab Health School, Amritsar.

15. T.B. Centre, Patiala for T.B. Health Visitors course.

16. Punjab Mental Hospital, Amritsar.
17. T.B. Sanatorium, Amritsar.
18. T.B. Sanatorium, Tanda, District Kangra.
19. Hardinge Sanatorium, Dharampura, District Simla.
- 5 20. T.B. Hospital, Hermitage, Sangrur.
21. B.T. and B.Ed. Training Colleges at Simla, Dharamsala, Jullundur, Faridkot and Patiala.
22. College of Physical Education, Patiala.
23. Sports College for Boys, Jullundur.
- 10 24. Sports College for Women, Kurukshetra.
25. Bikram College of Commerce, Patiala.
26. Jail Training Centre, Hissar.
27. Government Institute for the Blind, Panipat.
28. Training Centre for the Adult Blind, Sonepat.
- 15 29. Training-cum-Production Centre and J.B.T. Training Centre, Gandhi Vanita Ashram, Jullundur.
30. After Care Home, Amritsar.
31. After Care Home, Madhuban (Karnal).
32. Protective Home, Sangrur.
- 20 33. Laboratory or Chemical Examiner, Patiala.
34. Hygiene and Vaccine Institute, Punjab, Amritsar.
35. Government Press, Chandigarh.
36. Post Graduate Institute of Medical Education and Research, Chandigarh.
- 25 37. Punjab Engineering College, Chandigarh.
38. College of Architecture, Chandigarh.
39. General Hospital, Chandigarh.
40. Government College for Women, Chandigarh.
41. Government College for Men, Chandigarh.
- 30 42. Home Science College, Chandigarh.

STATEMENT OF OBJECTS AND REASONS

On the 21st March, 1966 it was announced in the Lok Sabha that Government had decided to accept, in principle, the reorganisation of the existing State of Punjab on linguistic basis. On the 18th April, 1966, the House was informed that necessary legislation would be brought forward for the reorganisation of the State as soon as the boundaries of the new States were settled and necessary legislation to amend article 3 of the Constitution to enable the transfer of certain areas of the existing State to the Union territory of Himachal Pradesh was enacted. The Punjab Reorganisation Bill, 1966, is designed to reorganise the existing State so as to constitute two separate States of Punjab and Haryana and a new Union territory by the name of Chandigarh and to transfer certain areas of the existing State to the Union territory of Himachal Pradesh.

The Bill provides for the territories of the two States and the new Union territory and also specifies the areas to be transferred to the Union territory of Himachal Pradesh and makes the necessary supplemental, incidental and consequential provisions in relation to such reorganisation, including representation in Parliament and in the State Legislatures.

The notes on clauses explain in detail the various provisions of the Bill.

NEW DELHI;
The 27th August, 1966.

G. L. NANDA.

PRESIDENT'S RECOMMENDATION UNDER ARTICLES 3, 117
AND 274 OF THE CONSTITUTION OF INDIA

[Copy of letter No. F. 17/48/66-SR, dated the 30th August, 1966 from Shri Jai Sukh Lal Hathi, Minister of State in the Ministry of Home Affairs to the Secretary, Lok Sabha.]

The President having been informed of the subject matter of the Bill to provide for the reorganisation of the existing State of Punjab and for matters connected therewith, recommends the introduction of the Bill in the Lok Sabha under articles 3, 117(1) and 274(1) of the Constitution and the consideration of the Bill in the Lok Sabha under article 117(3) of the Constitution.

Notes on clauses

Clause 2, sub-clause (i).—According to the 1961 census, the population of the existing State of Punjab is 203·07 lakhs. The population of the new State of Haryana would be about 75·90 lakhs and of the State of Punjab after reorganisation would be about 111·36 lakhs. The population of the areas proposed to be transferred to Himachal Pradesh would be about 14·61 lakhs and that of the Union territory of Chandigarh, about 1·20 lakhs. The population ratio between the States of Haryana and Punjab and the Union has been determined on this basis.

Clauses 3 to 8 and the First, Second and Third Schedules.—Sub-clause (1) of clause 3 provides for the formation of the new State of Haryana by transferring thereto from the existing State of Punjab, five districts, two tahsils of Sangrur district, three tahsils of Ambala district and certain areas of Kharar tahsil of Ambala district including the areas specified in the First Schedule.

Clause 4 provides for the formation of the Union territory of Chandigarh comprising the area of the Chandigarh Capital Project and certain adjoining areas as specified in the Second Schedule.

Clause 5 provides for the transfer to the Union territory of Himachal Pradesh of four districts of the existing State of Punjab, Nalagarh tahsil of Ambala district and certain areas of Una tahsil of Hoshiarpur district including those specified in Parts I and II of the Third Schedule and the villages of Dalhousie, Balun and Bakloh which are at present part of Gurdaspur district.

Some of the existing revenue units such as districts, tahsils and kanungo circles would be broken up as a result of provisions made in clauses 3, 4 and 5. Provision has, therefore, been made in clauses 3, 5 and 6 either to constitute these broken units into separate revenue units or to integrate them with the adjoining revenue units.

Clause 7 seeks to make certain consequential amendments in the First Schedule to the Constitution and clause 8 expressly saves the powers of the Governments of Punjab and Haryana and the Administrator of the Union territory of Himachal Pradesh to alter, after 548 G of I—10.

the appointed day, the name, area or boundaries of any district or other territorial division.

Clauses 9 to 11 and the Fourth Schedule.—These clauses deal with the representation of Haryana, Punjab and Himachal Pradesh in the Council of States. There are at present 11 members representing the existing State of Punjab and two members representing the Union territory of Himachal Pradesh in the said Council. The allocation proposed in clause 9 in respect of Haryana and Punjab is based on the formula, one seat per million for the first five millions and one seat for every additional two millions or part thereof exceeding one million of the population according to 1951 census. On this basis, the State of Haryana has been allotted 5 seats and Punjab, 7 seats. Provision has also been made for allotting one more seat to Himachal Pradesh. The manner in which the existing 11 sitting members are proposed to be allocated to fill these seats has been indicated in the Fourth Schedule. On this basis, 4 of these members will fill the seats allotted to Haryana, 6 will fill the seats allotted to Punjab and one member will fill the extra seat allotted to the Union territory of Himachal Pradesh. There will be two vacancies, one in Punjab and one in Haryana, and these will be filled in accordance with the provisions of clause 11.

Clause 12.—This clause provides that so far as the existing House of the People is concerned, the sitting members representing the constituencies in the areas comprised in the existing State of Punjab will continue to represent those constituencies.

Clauses 13 to 19 and the Fifth Schedule.—These clauses make provisions in respect of the Legislative Assemblies of Haryana, Punjab and Himachal Pradesh. At present there are 154 members in the Legislative Assembly of Punjab and the Himachal Pradesh Legislative Assembly has 41 elected and two nominated members. On the basis of territorial location of the constituencies from which the 154 members were elected, 54 members have been allotted to Haryana and 13 to Himachal Pradesh and the remaining 87 members will continue to be members of the Legislative Assembly of Punjab. As article 170 of the Constitution envisages that the Legislative Assembly of a State shall consist of not less than 60 members, it has been provided in clause 16 that eight members of the Legislative Council of the existing State of Punjab who have been elected to that Council from territorial constituencies which will fall wholly or mostly in Haryana but will cease to be members of this Council on reorganisation of the

State shall become members of the Legislative Assembly of Haryana. Thus, as from the appointed day, the number of seats in the Legislative Assemblies of Haryana, Punjab and Himachal Pradesh will be 62, 87 and 56 respectively.

Clause 14 read with the Fifth Schedule provides for the necessary adjustment of assembly constituencies in the States of Haryana, Punjab and the Union territory of Himachal Pradesh.

As the Deputy Speaker of the Legislative Assembly of the existing State of Punjab will become a member of the Legislative Assembly of Haryana, it has been provided in clause 18 that she will continue to be the Deputy Speaker of that Assembly. Provision has also been made in that clause for a Deputy Speaker being elected by the Legislative Assembly of Punjab and a Speaker being elected by the Legislative Assembly of Haryana after the appointed day. Other clauses are consequential and self-explanatory.

Clauses 20 to 22 and the Seventh Schedule.—These clauses deal with the Legislative Council of the existing State of Punjab. At present there are 51 members in that Council. It is proposed not to have any Legislative Council in the State of Haryana. The strength of the Legislative Council of Punjab is proposed to be reduced from 51 to 40. It is proposed that the nine members representing territorial constituencies of the existing Legislative Council which lie wholly or mostly in areas which would cease to be part of the existing State of Punjab will cease to be members of the Legislative Council.

There are 18 members in the Council elected by the members of the Legislative Assembly of Punjab, out of whom 5 members who are ordinarily resident in areas which will form part of Haryana or Himachal Pradesh will also cease to be members of the Council. As the number of nominated members is to be reduced from 8 to 6, two of those members who are due to retire in 1968 will also cease to be members of the Council. The names of the 16 members who will thus cease to be members are given in the Seventh Schedule.

The resultant 5 vacancies in the Council will be 4 in the Local Authorities' constituencies and one among members elected by the Legislative Assembly and will be filled in the manner set out in sub-clause (6) of clause 22.

The Deputy Chairman of the existing Legislative Council of Punjab will cease to be a member of that Council on the appointed

day. Provision has, therefore, been made in sub-clause (9) of clause 22 for the election of a new Deputy Chairman after the appointed day.

Consequential amendments to the Third Schedule to the Representation of the People Act, 1950 and also to the Delimitation of Council Constituencies (Punjab) Order, 1951, are proposed in clauses 20 and 21.

Clauses 23 to 25.—Clause 23 provides for the allocation of seats to Haryana, Punjab and Himachal Pradesh in the House of the People to be constituted after the next general election. At present 22 seats have been allotted to Punjab and 4 seats to Himachal Pradesh in the House of the People. According to the allocation proposed in clause 23, the State of Haryana will have 9 seats, Punjab 13 seats and Himachal Pradesh 6 seats. Provision has also been made for allotting one seat to the Union territory of Chandigarh and for reservation of seats for Scheduled Castes in Haryana, Punjab and Himachal Pradesh. These reservations have been worked out on the basis of the 1961 census.

Clause 24 provides that the Legislative Assemblies of Haryana and Punjab to be constituted after the next general election shall have 81 and 104 seats respectively and that the Legislative Assembly of Himachal Pradesh shall have 34 seats to be filled by direct election in addition to those seats which may be filled by nomination in accordance with section 3 (3) of the Government of Union Territories Act, 1963. Reservations for Scheduled Castes in both the States and for Scheduled Castes and Scheduled Tribes in Himachal Pradesh provided in this clause have also been worked out on the basis of the 1961 census.

Clause 25 provides for the delimitation of constituencies by the Delimitation Commission constituted under the Delimitation Commission Act, 1962.

Clause 26.—With the reorganisation of the State of Punjab, the Regional Committees will cease to exist. Accordingly clause 26 seeks to amend article 371(1) of the Constitution so as to omit from that article the reference to the State of Punjab.

Clauses 27 and 28 and the Eighth, Ninth, Tenth and Eleventh Schedules.—With the reorganisation of Punjab certain amendments

are necessary in the Constitution (Scheduled Castes) Order, 1950, the Constitution (Scheduled Castes) (Union Territories) Order, 1951, the Constitution (Scheduled Tribes) Order, 1950 and the Constitution (Scheduled Tribes) (Union Territories) Order, 1951. These changes have been set out in the Eighth, Ninth, Tenth and Eleventh Schedules.

Clauses 29 to 41.—These clauses deal with the establishment of a common High Court for the States of Haryana and Punjab and the Union territory of Chandigarh, its powers and functions and the procedure to be followed by it. The detailed provisions contained in these clauses follow the relevant provisions of previous Reorganisation Acts.

The legislation relating to the Delhi High Court provides for the extension of the jurisdiction of the Delhi High Court to the Union territory of Himachal Pradesh from such date as the Central Government may appoint. It is intended to invoke this provision some time after the reorganisation of the State of Punjab. Hence clause 38 provides that from the appointed day, the jurisdiction of the court of the Judicial Commissioner for Himachal Pradesh shall extend to the territories which will be transferred to and form part of the Union territory of Himachal Pradesh.

Clauses 42 and 43.—In order that the administration of the new State of Haryana can be carried on until the legislature of that State has passed the necessary Appropriation Act, provision has been made in clause 42 for the Governor of Punjab to authorise at any time before the appointed day such expenditure from the Consolidated Fund of that State as he thinks necessary, for any period not extending beyond the 31st March, 1967, and similar powers are proposed to be conferred on the Governor of Haryana in respect of the period after the appointed day.

Clause 43 provides that the amount authorised by the Himachal Pradesh Legislative Assembly before the appointed day for being expended for any services in that Union territory may also be spent in the transferred territory. However, as a large area is being added on to Himachal Pradesh, it may become necessary to authorise further expenditure until the legislature of Himachal Pradesh has passed the necessary Appropriation Act. Provision has, therefore, been made in these clauses for the Administrator of Himachal Pradesh, to

authorise expenditure from the Consolidated Fund of that Union territory for any period not extending beyond the 31st March, 1967.

Clause 44.—This clause contains the usual provision that the report of the Comptroller and Auditor General of India for any period prior to the appointed day should be submitted to the Governors of Punjab and Haryana and the Administrator of Himachal Pradesh and enables the President to regularise any expenditure incurred in excess of that authorised by the Legislative Assembly of the existing State of Punjab.

Clause 45.—This clause seeks to empower the President to determine by order the allowances and privileges of the Governor of the new State of Haryana until parliamentary legislation is undertaken for the purpose.

Clause 46 and the Twelfth Schedule.—The distribution among the States of the proceeds of certain taxes and duties like income-tax, excise duties, estate duty, etc., is regulated by Parliamentary enactments and the Constitution (Distribution of Revenues) Order, 1965. Provision has been made in the Twelfth Schedule that the share of the taxes and duties payable to the existing States of Punjab shall be divided between the States of Haryana and Punjab and the Union in respect of the areas which would form part of the Union territories of Himachal Pradesh and Chandigarh, according to the population ratio. Necessary modifications to the enactments and Order referred to above have been proposed in the Twelfth Schedule.

Clauses 47 to 66 and the Thirteenth and Fourteenth Schedules.—These clauses relate to the apportionment of assets and liabilities of the existing State of Punjab and follow the main provisions made for such apportionment in the States Reorganisation Act, 1956, subject to slight deviations which are explained below:—

(a) Apart from the Secretariat, a large number of offices and Heads of Departments of the existing State of Punjab are located in Chandigarh. It has, therefore, been provided in clause 48(3) that stores relating to these offices shall be divided between the successor States in accordance with the directions of the Central Government.

(b) The sewerage works of Chandigarh and also the brick kilns of the Chandigarh Capital Project as well as certain areas where soil conservation measures for preventing the silting of the

Sukhna Lake have been undertaken, fall outside the Union territory of Chandigarh. It is necessary that these works as well as the soil conservation areas should be the property of the Union for the purpose of administration of Chandigarh. Accordingly, provision has been made in clause 48(5) for vesting in the Union the lands acquired for these works (*vide* the Thirteenth Schedule) including the connected plant, machinery, etc.

(c) Provisions of sub-clauses (2) and (3) (relating to investments in private commercial or industrial undertakings) of clause 52 follow the corresponding provisions of section 51 of the Bombay Reorganisation Act, 1960 and sub-clause (2) makes an additional provision for allocation of investments made in private commercial or industrial undertakings having their principal seat of business outside the existing State of Punjab.

(d) Sub-clause (3) of clause 53 is a new provision which seeks to facilitate the division of assets and liabilities relatable to commercial or industrial undertakings of the State if such an undertaking is located in more than one successor State after reorganisation.

(e) Sub-clause (2) of clause 54 (relating to public debt) follows the provision in section 54(2) of the Bombay Reorganisation Act, 1960. Sub-clause (3) of this clause makes provision for the allocation of the public debt attributable to loans taken for the Beas and Bhakra-Nangal Projects and sub-clause (5) makes a corresponding provision for allocating the investments from the sinking fund created for repayment of the loans.

(g) The proviso to clause 56(1) is also a new provision which seeks to obviate practical difficulties which had arisen in the past in the repayment of deposits made outside the existing State. Sub-clause (2) (relating to charitable or other endowment) of clause 56 follows the provisions of section 57(2) of the Bombay Reorganisation Act, 1960.

(h) There had been difficulties in the past in the re-payment of the provident fund monies to Government servants who had retired from service before reorganisation. Sub-clause (2) of clause 57 seeks to place the liability for such payments on the State of Punjab subject to subsequent adjustments between the successor States according to the population ratio.

(i) Clause 64 empowers the successor States to vary by agreement the manner of apportionment of any asset or liability. This follows section 65 of the Bombay Reorganisation Act, 1960.

(j) In so far as the areas to be transferred to Himachal Pradesh are concerned, certain properties and institutions, though vesting in the Union, will have to be made available to the Government of Himachal Pradesh and consequently it will be necessary to pass on the corresponding liabilities also to that Government. Further, liabilities connected with the administration of the Union territory like salaries of officers in the transferred territory will have to be borne by that Government. Accordingly, a proviso has been added to clause 66 taking power for the Central Government to specify the liabilities which may be discharged from the Consolidated Fund of that Union territory.

Clause 67.—This clause enables the State Electricity Board and the State Warehousing Corporation to continue to function in the same areas as at present, even after reorganisation, until the 1st November, 1967 by which time steps will be taken to dissolve the existing Board and Corporation and allocate their assets and liabilities to the successor States, or, as the case may be, to the Electricity Boards or Warehousing Corporations that will be set up in Haryana and Punjab.

Clause 68.—This clause makes the usual provision for continuance of arrangements in regard to generation and supply of electricity and water and follows section 107 of the States Reorganisation Act, 1956.

Clause 69.—At present the Punjab State Financial Corporation is serving not only the existing State of Punjab but also the Union territories of Delhi and Himachal Pradesh. This clause provides for continuance of the Corporation and also for its reconstitution, reorganisation or dissolution when so required by the Central Government or with the previous approval of the Central Government. So long as the Corporation continues to function in the areas which are now being served by it, the Central Government will have powers to give directions to it and also to make such modifications or exceptions as may be deemed necessary in the State Financial Corporations Act, 1951. It is intended to reconstitute the Board of Directors of the Corporation so as to give representation also to the State of Haryana and the Union territory of Chandigarh.

Clause 70 and the Fifteenth Schedule.—This clause seeks to add a new section 5D in the Multi-Unit Co-operative Societies Act, 1942. The section follows section 5C of that Act which was added at the time of reorganisation of Bombay and seeks to enable the Board of Directors of Co-operative institutions specified in the Fifteenth Schedule which would become multi-unit in character consequent on reorganisation to draw up schemes for reconstitution, reorganisation or dissolution of the institutions before reorganisation so that the schemes could be put into effect from the date of reorganisation. As portions of the assets and liabilities of the existing institutions may have to be transferred to corresponding institutions in the Union territory of Himachal Pradesh, necessary provision in this behalf has also been included in clause (b) of new section 5D(I) and also in the proviso thereto.

Clause 71.—Under section 22 of the Banking Regulation Act, 1949, no company can carry on banking business unless it holds a licence issued by the Reserve Bank of India. It may become necessary to set up new cooperative banks in certain areas immediately after reorganisation. It has, therefore, been provided in this clause that such banks may be formed within three months of reorganisation without obtaining licence from the Reserve Bank of India provided that the bank makes an application for the licence within three months of its formation. Such a bank will continue to function without licence until it is granted a licence by the Reserve Bank or the licence is refused.

Clause 72.—This clause contains a general provision to enable corporate bodies which become inter-State in character as a result of reorganisation or serve the needs of the successor States after reorganisation, to continue to function in the areas where they have been functioning before reorganisation. It is intended that the Punjab University, the Punjab Agricultural University and also the Shiromani Gurdwara Prabandhak Committee which will be serving not only the areas that may be included in the new State of Punjab but also the rest of the territories of the existing State should be covered by this provision and that the successor States should continue to give necessary financial assistance to the two Universities. Accordingly, provision has been made in sub-clauses (3) and (4) of this clause

Clause 73.—This clause provides for the continuance of certain companies in which the Government of the existing State of Punjab

has full or substantial interest. These companies were promoted to serve the needs of the existing territories of Punjab and will have to continue to serve these objects. Accordingly this clause makes provisions for allocating the interest of the existing State of Punjab among the successor States and re-constituting the Board of Directors of these companies to give representation to them.

Clauses 74 to 76.—These clauses follow the corresponding provisions of the States Reorganisation Act, 1956 except that clause 76 follows section 78 of the Bombay Reorganisation Act, 1960.

Clause 77 and the Sixteenth Schedule.—This clause makes the usual provision for the continuance of facilities to the successor Governments in certain State institutions and also to the people of the existing States of Punjab in such institutions specified in the Sixteenth Schedule irrespective of their location.

Clauses 78 to 80.—Out of the total cultivable commanded area of 58.61 lakh acres served by the Bhakra system, about 37.7% would lie in the new State of Punjab, 46.7% in Haryana and 15.6% in Rajasthan. The irrigation systems from the three main rivers of Punjab, namely, the Ravi, the Beas and the Sutlej, are interlinked requiring their integrated and co-ordinated operation for the optimum utilisation of the waters of these rivers by the three States of Punjab, Haryana and Rajasthan. At present, in accordance with an agreement between Punjab and Rajasthan, the benefits of the Bhakra system are being shared by the two States roughly in the ratio of 85:15. The complex of inter-dependent system of irrigation and power in this region would be further complicated with the completion of the Beas Project which is now under construction. The Bhakra Dam and both the units of the Beas Project would lie in the territory of Himachal Pradesh with the transfer of certain territories of the existing State of Punjab to that Union territory. In view of this, it is proposed to constitute agencies with representatives of the successor States, for the management of certain major components of the existing irrigation and power system of Punjab and for the construction of the Beas Project and the management of the major components of that project after their completion. Accordingly, clause 78 provides that the rights and liabilities of the existing State of Punjab in relation to Bhakra-Nangal Project and the Beas Project shall be the rights and liabilities of the successor States and shall be apportioned by agreement between the successor States and if no such agreement is entered into within two years, in accordance with

the orders of the Central Government. Clause 79 provides for the constitution of a Management Board for the administration, maintenance and operation of the major components of the irrigation and power system and requires the successor States and the State of Rajasthan to provide the Board with the necessary funds. Clause 80 likewise envisages similar arrangements regarding the construction of the Beas Project.

Clauses 81 to 84.—These clauses make the usual provisions relating to services and generally follow the provisions of sections 114 to 117 of the States Reorganisation Act, 1956.

Clause 85.—It is proposed not to make any provision in the Bill for the division of the Public Service Commission of the existing State of Punjab as the intention is that this Commission should continue to function in the new State of Punjab only, and a new Public Service Commission should be set up for the State of Haryana under the relevant provisions of the Constitution.

Clause 86.—This makes a consequential amendment in the States Reorganisation Act so as to include the State of Haryana and the Union territory of Chandigarh in the Northern Zonal Council.

Clause 87.—This clause confers powers on the Central Government to extend enactments in force in a State to the Union territory of Chandigarh by notification. The Central Government have similar powers in respect of certain other Union territories *vide* Acts 30 of 1950, 1 of 1962 and 49 of 1962.

Clauses 88 to 96.—These clauses make the usual provisions regarding continuance of the existing laws in the territories included in the existing State of Punjab, adaptation of those laws and their interpretation by course and tribunals, continuance of authorities exercising statutory functions and legal proceedings, etc. These provisions follows the corresponding provisions of the States Reorganisation Act, 1956.

Clause 97.—This clause confers rule-making powers on the Central Government and in particular, in respect of the Bhakra Management Board and the Beas Construction Board proposed in clauses 79 and 80.

FINANCIAL MEMORANDUM

Clause 4 of the Bill provides for the formation of the new Union territory of Chandigarh. Under article 239 of the Constitution, the Union territory has to be administered by the President. Hence the cost of administration of the Union territory will have to be met from the Consolidated Fund of India. On a rough estimate the total revenue receipts from this territory are expected to be of the order of about Rs. 239 lakhs. The recurring revenue expenditure on the administration of the Union territory would be roughly of the following order:—

(a) Cost of Administrative services, namely, general administration, police, pensions, etc.	Rs. 97 lakhs
(b) Maintenance of buildings, roads and other public works.	Rs. 44 lakhs
(c) Cost of maintaining primary and higher secondary schools, civil amenities, etc.	Rs. 81 lakhs
(d) Cost of maintaining institutions of higher education, namely, Engineering College, College of Architecture, Post-Graduate Institute of Medical Education and Research and other colleges and general Hospital.	Rs. 220 lakhs
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TOTAL	Rs. 442 lakhs

On the above basis, there will be a recurring revenue deficit of Rs. 203 lakhs which will have to be met from the Consolidated Fund of India.

2. As Chandigarh would be a joint Capital of both the States, it will be necessary to make available to the State Governments most of the existing Government buildings for their offices. Residential accommodation built for the officers and staff will also have to be made available to these Governments. It is intended to recover rent or contributions from the State Governments for the use of these buildings. Also, as the institutions referred to at (d) above would be serving the common needs of the States of Haryana and Punjab, the two States would be required to make reasonable contributions for maintaining such institutions. It is expected that the contributions from the State Governments including the rent or contributions

for the use of the Government buildings would roughly be of the order of about Rs. 175 lakhs. These contributions together with the normal revenue receipts would amount to about Rs. 414 lakhs and in effect the net recurring expenditure on revenue account for the administration of the territory may be of the order of about Rs. 28 lakhs per annum.

3. For the development of the Chandigarh town and also completion of certain buildings of the Post-Graduate Institute of Medical Education and Research and similar other institutions, some non-recurring expenditure will be involved on capital account. The budget estimates of the Government of Punjab for the current year provide for a capital expenditure of about 250 lakhs on these works and a recovery of about 65 lakhs on account of sale of plots. The exact magnitude of expenditure on such works after reorganisation will be determined after a detailed assessment of the requirements in the light of the reorganisation of the State.

4. Clause 5 provides for the transfer of certain territories from the existing State of Punjab to the Union territory of Himachal Pradesh. According to the current years' budget of the State Government, the total receipts in respect of this area are roughly of the order of Rs. 539 lakhs inclusive of Rs. 123 lakhs on account of State Government's share of Central taxes attributable to this area. In addition, the Central grants for plan schemes attributable to this area would be roughly of the order of Rs. 249 lakhs. As against this, the current year's budget provides for a revenue expenditure of about Rs. 957 lakhs for this area. The share of Central taxes attributable to this area would be retained in the Consolidated Fund of India with the result that the actual receipts which would go into the Consolidated Fund of Union territory of Himachal Pradesh would roughly be Rs. 416 lakhs. The revenue gap of the Union territories with legislatures is now being met by grants from the Central Government and this practice will have to continue for some time in respect of the transferred territory also. Thus, the recurring revenue expenditure from the Consolidated Fund of India on account of grants for this area would be of the order of Rs. 541 lakhs. However, as stated above, if the receipts on account of the share of assigned taxes and also the saving on account of the grants to the State Government in respect of this area are taken into account, the net additional recurring expenditure on account of the transfer of these territories to Himachal Pradesh will be of the order of Rs. 169 lakhs per annum.

5. It will also be necessary to provide increased loan assistance to Himachal Pradesh for capital works in the transferred territories. The loan assistance that is being made available to the State Government in this behalf would be made available to the Himachal Administration and there would not be any extra liability on the Central Government except for capital works which were being financed by the Punjab Government. The magnitude of this expenditure will be determined later.

6. Clause 9 of the Bill provides for the total number of seats in the Council of States being raised by two i.e., from 226 to 228. Clause 23 of the Bill provides for a total of 29 seats in the House of People to be constituted after the commencement of the Act, in respect of the States of Haryana and Punjab and the Union territories of Himachal Pradesh and Chandigarh as against the total of 26 seats at present allotted to Punjab and Himachal Pradesh. Thus there would be an increase of 3 seats in the House of People. The extra recurring expenditure on account of salary, allowances, etc., of the five members would be of the order of Rs. 70,000 per annum and non-recurring expenditure would be about Rs. 10,000.

7. Clause 25 of the Bill provides for delimitation of the parliamentary and assembly constituencies allotted to Haryana, Punjab and Himachal Pradesh. This would involve a non-recurring expenditure of about Rs. 15,000.

8. Clause 29 provides for the setting up of a common High Court for the States of Punjab and Haryana and the Union territory of Chandigarh and for the salaries and allowances of the Judges of the High Court being allocated amongst the States of Punjab and Haryana and the Union in such proportion as the President may by order determine. In so far as the administrative expenses of the High Court are concerned, contributions will be taken from the two State Governments under article 290 of the Constitution. The present recurring expenditure on the High Court of Punjab is of the order of Rs. 25 lakhs and initially this will have to be met from the Consolidated Fund of India. The actual net expenditure will, however, depend on the order that may be made by the President and the agreement that may be reached under article 290 and it is not possible to estimate this amount at present.

9. Clause 53 provides that the assets and liabilities relating to commercial and industrial undertakings of the existing State of Punjab shall pass to the successor State in whose territory the undertaking is located. The actual allocation of commercial and

industrial undertakings will have to be done after passing of the Bill. However, if the Chandigarh unit of the Road Transport Undertaking of the State is allotted to the Union, it will have to be run as a State Undertaking by the Chandigarh Administration. According to the current year's budget estimates of the Punjab Government, the expenditure on this unit would be Rs. 63 lakhs whereas the receipts would be of the order of Rs. 89 lakhs. Thus, there will be no liability on this account but the recurring expenditure will have to be met from the Consolidated Fund of India and the receipts will accrue to that Fund.

10. Clause 54 relates to allocation of the public debt of the existing State of Punjab. The total public debt of the State on the 31st March, 1965, was about Rs. 359 crores as under:—

	<i>Rupees in crores</i>
(1) Market loans	11
(2) Loans from National Co-operative Development Corporation and other Statutory Bodies	9
(3) Loans from Central Government for Bhakra-Nangal and Beas Projects	199
(4) Other loans	140
 TOTAL	 359

The other liabilities of the State on that day were roughly of the order of Rs. 59 crores. The allocation of the loans between the States of Haryana and Punjab and the Union will have to be worked out in accordance with the provisions of this clause and it is not possible at this stage to give a precise estimate of Union's share. The total capital outlay of the Government of Punjab was roughly Rs. 385 crores on the 31st March, 1965. In addition, the loans advanced by the State Government amounted to about Rs. 106 crores and together with other assets of Rs. 50 crores, the total assets were of the order of about Rs. 541 crores. The debt liability of the Union and liabilities which it may have to incur on the repayment of deposits and provident fund balances under clauses 56 and 57 would, therefore, be offset by its share in the assets.

11. Clause 58 provides for the liability on account of pensions being apportioned between the successor States. This liability has been taken into account in estimating the expenditure on the administration of the Union territory of Chandigarh and the areas to be transferred to the Union territory of Himachal Pradesh.

12. Clauses 55 and 59 to 63 deal with various matters like refund of taxes and duties collected in excess, contractual liabilities, liabilities in respect of actionable wrongs, liabilities as guarantor in respect of cooperative societies, liabilities in respect of items in suspense and liabilities in respect of residuary matters. Clause 64 provides for apportionment of liabilities by agreement, clause 65 empowers the Central Government to order allocation or adjustment of liabilities in certain cases and clause 66 provides for charging of expenditure payable by the Union to any State on the Consolidated Fund of India and also for directing that such liabilities in relation to the territories to be transferred to the Union territory of Himachal Pradesh and as may be specified shall be charged on the Consolidated Fund of that territory instead of on the Consolidated Fund of India. It is not possible to indicate the actual amount of liabilities which will have to be met from the Consolidated Fund of India on account of these provisions.

13. Clause 72(4) provides for grants being made by the successor States to the Punjab University and the Punjab Agricultural University. The current year's budget estimates of the Punjab Government make a provision for grants amounting to Rs. 256 lakhs for the Punjab Agricultural University and Rs. 4 lakhs for the Punjab University. The Central Government will determine the amount of grants that should be made to these institutions by the successor States. However, if the population basis is adopted, the share of the Union would be about Rs. 20 lakhs.

14. Clause 77(1) envisages contributions being made by the successor States for facilities provided in certain State institutions. The terms have to be settled by agreement between the successor States and it is not possible at this stage to indicate the precise amount that may have to be paid from the Consolidated Fund of India on this account.

15. Clause 78(1) provides for the rights and liabilities of the existing State of Punjab in relation to the Bhakra-Nangal and Beas Projects being apportioned between the successor States by agreement. Clause 79(5) provides that the expenditure on the Bhakra

Management Board shall be apportioned among the States in such proportion as the Central Government may specify. Proviso to clause 80(1) provides for apportionment of the liability for the expenditure on the Beas Project among the successor States. A portion of this liability may, therefore, have to be borne by the Union in respect of the areas which would not be included either in the State of Haryana or the State of Punjab. It is not possible to estimate the magnitude of such liability.

16. Clause 81(3) provides for strength and composition of the Delhi-Himachal Pradesh State Cadres of the All-India Services being determined. Clause 83 provides for the continuance of persons serving under the existing State of Punjab in the same post (until they are allocated). Clause 82(1) provides for provisional allocation of such persons and sub-clause (2) provides for their final allocation. The staff that will be transferred to the Union as a result of reorganisation would serve in connection with the administration of the Union territory of Chandigarh or the areas to be transferred to Himachal Pradesh. The expenditure involved in their salaries and allowances has been taken into account in paragraphs 1 and 4.

17. Clause 82(4) provides for the establishment of Advisory Committees for the purpose of division and integration of Services, etc., and clause 86(ii) seeks to provide representation to the Union territory of Chandigarh in the Northern Zonal Council. This will involve some non-recurring expenditure on travelling allowance, etc., of the order of about Rs. 5,000 and recurring expenditure on such allowance of the order of about Rs. 1,000 per annum.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 97 of the Bill empowers the Central Government to make rules to give effect to the provisions of the Bill when enacted. This power will be required mainly with reference to the Bhakra Management Board and the Beas Construction Board referred to in clauses 79 and 80 of the Bill, to provide for certain matters of procedure and administrative detail such as the procedure to be followed by those Boards for the conduct of their business, the salaries, allowances and conditions of service of the staff of the Boards, the conditions subject to which and the mode in which contracts may be entered into in relation to the Boards, the maintenance of accounts and the preparation of budget estimates and annual reports of the Boards.

2. Clause 79(9) of the Bill empowers the Bhakra Management Board likewise to make regulations, consistent with the provisions of the Bill and the rules made thereunder, to provide for regulating the time and place of its meetings, the procedure thereat, delegation of powers and duties of the Chairman, etc.

3. Clause 89 of the Bill empowers the appropriate Government to adapt existing laws in order to facilitate their application to the State of Haryana or Punjab or the Union territory of Chandigarh or Himachal Pradesh. This power will be available only for a period of two years from the appointed day, Clauses 67(2), 69(2) and 72(2) of the Bill empower the Central Government to issue directions indicating the exceptions and modifications subject to which the Acts relating to corporations which become inter-State corporations on account of reorganisation, would apply during the period they continue to function in the areas in respect of which they were functioning immediately before reorganisation. The adaptations and exceptions and modifications cannot affect the substance of the Acts aforesaid.

4. Clause 77(2) of the Bill provides that the Central Government may by notification add any institution in existence on the appointed day to the Sixteenth Schedule and thereupon that Schedule shall be deemed to be amended by the inclusion of that institution therein. That Schedule specifies the institutions in respect of which facilities available prior to the appointed day should be continued even after that day.

5. Clause 87 of the Bill empowers the Central Government to extend by notification any enactment in force in a State to the Union territory of Chandigarh. Such a power is available under other enactments in respect of certain other Union territories and will be useful for extending a law by notification when there is no existing law on the same subject in force in the Union territory.

6. The delegation of legislative power in the clauses referred to above are all of a normal character.

S. L. SHAKDHER,
Secretary.

